

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
DECEMBER 18, 2002

Southwest Washington Pipe Trades Joint Apprenticeship
and Training Committee Facility
8501 Zenith Court NE
Lacey, WA 98516
(360) 486-9400

AGENDA

TIME: 8:30 a.m. – 2:15 p.m.

TIME	TOPIC	PRESENTER	DESIRED OUTCOME
8:30-8:45	Welcome/Introductions	René Ewing Dennis Kloidas, Southwest Washington Pipe Trades Joint Apprenticeship and Training Committee	Get Acquainted
8:45-9:30	Minutes of October 2, 2002, Board Meeting Chairperson's Report Executive Director's Report <ul style="list-style-type: none">Career Clusters Initiative <i>Tab 1</i>	René Ewing Ellen O'Brien Saunders	Board will act on minutes of October 2, 2002, Board Meeting. Board will be updated on issues of current interest and review resolution supporting Career Clusters Initiative.
9:30-10:00	Presentation of Governor Locke's Workforce Development-Related Budget for 2003-05	Wolfgang Opitz, Office of Financial Management	Board will learn of the Governor's proposals for workforce development in 2003-05 biennial budget.
10:00	Break	All	Refresh
10:15-11:00	National Policy: <ul style="list-style-type: none">Federal Vocational Education Act fundingOffice of Management and Budget Proposal for Performance Measures <i>Tab 2</i>	Walt Wong Bryan Wilson	Board will discuss and act on emerging issues at the national level.

TIME	TOPIC	PRESENTER	DESIRED OUTCOME
11:00-11:45	Emerging Workforce: <ul style="list-style-type: none"> Youth Development Initiative Bill Relating to Courses of Study Options in High Schools <i>Tab 3</i>	Pam Lund Gary Gallwas, Employment Security Wes Pruitt Kathleen Lopp, Washington Association for Career and Technical Education	Board will learn of activities to support success for youth, and review and take action on a bill relating to options for high school students' courses of study.
11:45-12:45	Tour of Facility and Lunch	All	Refresh and see facility.
12:45-1:15	Training Benefits Program Review <i>Tab 4</i>	Bryan Wilson John Bauer	Board will learn of an assessment of the results of Training Benefits Program and impact on unemployment insurance trust fund
1:15-1:30	Incentive Policy for Workforce Investment Act, Title I-B <i>Tab 5</i>	Bryan Wilson	Board will review and adopt incentive policy.
1:30-2:15	Health Care Personnel Shortage Task Force Report <i>Tab 6</i>	Madeleine Thompson	Board will review and endorse report from the Health Care Personnel Shortage Task Force, including thanks to leadership.
2:15	Meeting Evaluation and Adjournment	René Ewing	Board will assess meeting quality.

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

**UPDATING
LOCAL AREA STRATEGIC PLANS
FOR THE WORKFORCE DEVELOPMENT SYSTEM**

Governor Executive Order 99-02 directs Workforce Development Councils (WDCs), in partnership with Chief Local Elected Officials (CLEOs) to develop and maintain a local unified plan. The local unified plan includes:

1. an operations plan for Title I-B employment and training programs funded under the Workforce Investment Act (WIA)
2. a strategic plan for the workforce development system.

Executive Order 99-02 directs that local strategic plans be consistent with the State Strategic Plan for Workforce Development. Following the Board's adoption of the 2002 edition of "High Skills, High Wages: Our Agenda for Action," each of the twelve Workforce Development Councils have begun organizing local processes to update their local area's strategic workforce development plan.

A brief chronology:

July 1999	Governor Locke approved WTECB and the Employment Security Department's recommendations on guidelines for developing a local unified plan. On behalf of the Governor, the Board issued the guidelines to CLEOs. WDCs were asked to submit their plans in draft by February 2000.
March 2000	A Board committee reviewed "drafts" of the local plans and offered recommendations to the WDCs on improvements needed for strategic alignment with the state plan.
April and May 2000	The Board's plan review committee studied the final plans submitted by the WDCs and recommended Governor approval. By July 2000, Governor Locke approved all 12 local unified plans.
January – July 2001	WTECB formed an internal Strategic Process Improvement Team to analyze WTECB internal processes supporting WDC Directors in strategic planning. In July 2001, the team recommend to the Executive Director ways to improve the agency's process for engaging WDC Directors the next time local and state plans are updated.
September 2001 – May 2002	WTECB used these recommendations to engage the WDC Directors in statewide committees and other activities as the 2002 edition of "High Skills, High Wages" was developed. The Board adopted the 2002 edition on May 30, 2002.
July and August 2002	WTECB consulted with WDC Directors on the timing and objectives for updating local area strategic workforce development plans.

September 2002	WTECB issued guidelines for updating local strategic plans (see attached).
November 2002 – April 2003	WTECB staff meet with WDC staff to discuss “High Skills, High Wages 2002” (including information on youth-related strategies in the plan) and share local research data from the Employer Survey and Workforce Training Results. Additionally, the State Board for Community and Technical Colleges and WTECB share new information from a cluster research project.
Winter and Spring 2003	<p>The local WDCs work to update their area’s strategic workforce development plan. Councils develop a public review schedule and local plan review process offering opportunities for business, labor, local elected officials, program operators, and others to communicate their needs and offer their perspectives and expertise.</p> <p>WTECB staff work with the WDCs to ensure that: (1) the local areas’ updated plans address strategies assigned to them in the 2002 edition of “High Skills, High Wages” thereby ensuring alignment of the local plans with the state’s strategic plan; and, (2) the local plans are approvable at the time they are submitted to WTECB.</p>
Due date: June 30, 2003	CLEOs submit their area’s updated strategic plan to WTECB.
July 2003	Plans are approved and implemented.

Guidelines for Updating the Strategic Plan for the Local Area Workforce Development System

On May 30, 2002, the Workforce Training and Education Coordinating Board (WTECB) approved an update of the state's strategic plan for workforce development. This 2002 edition of the plan is called "High Skills, High Wages: Our Agenda For Action." In writing the update, WTECB reviewed all 12 local strategic plans in order to identify strategies not included in HSHW 2000. The Board considered input from workgroups on target populations and youth and the Board provided extensive opportunities for interagency and public input, both at the state and local levels.

Governor Locke's Executive Order No. 99-02 directs that local and state strategic plans be consistent. It is now time to begin work on updating local plans to align with the state plan – several Workforce Development Councils (WDCs) have already started this work. WDC strategic plans should address local workforce needs and emerging regional economic issues, and reflect consensus of workforce development leadership on key goals, objectives, and strategies. This process should strengthen WDCs as the key leaders in workforce development in their communities and with the state.

Due Dates: Local strategic plan updates are due on June 30, 2003. WDCs are encouraged to share draft copies with WTECB prior to submitting the final plan. Pam Lund will be in contact with you in support of this work.

Plan Update Format: Councils may choose their own publication styles and formats for plan updates. Examples:

- Writing a whole new plan.
- Making additions and deletions to update the original plan.
- Keeping the original plan intact and adding updates in an appendix.
- Other creative formats making the plan accessible and usable. (Some WDCs may also choose to design an Executive Summary version.)

Councils may update economic, workforce, and demographic information, but this is not a requirement. A one-page summary may be appropriate for some WDCs to capture any items of significance that may have affected the area's labor market since 1999. If no changes have occurred, there is no expectation for updating this information.

State and Local Strategic Plan Alignment: WDCs should ensure that their updated plans address strategies assigned to them in the 2002 edition of High Skills, High Wages. This will assure that local plans are consistent with the state's strategic plan.

The State and Local Strategic Plan Worksheet lists the strategies in High Skills, High Wages where WDCs are given a “lead” or “partner” role. The worksheet leaves space for WDCs to describe, in two or three sentences and reference to the location of the source [page(s)], where and how their local plans address each strategy. WDCs should attach completed worksheets when submitting draft and final plans. Use of the worksheet allows flexibility for local plan formats.

Plan Approval: The WTECB plan approval process will be open and inclusive. WTECB staff will keep state Workforce Board members informed as plan updates are developed and completed. WTECB staff will work with the WDC to ensure alignment of the local plan with the state plan. If WTECB staff and the staff of the WDC disagree regarding alignment and are unable to reach agreement as to whether or not a local plan meets the Executive Order requirement of consistency with the state plan, the review of the local plan will be elevated to the Board level. Otherwise, WTECB’s plan approval process will not entail a formal approval by the state Workforce Board. WTECB’s bottom line is the extent to which goals, objectives, and strategies in the updated local plan are consistent with High Skills, High Wages.

Public Input For The Plan Update: Your local planning process should offer opportunities for business, labor, local elected officials, program operators, and others to communicate their needs and offer their perspectives and expertise. The public review design and process is a local choice.

Supporting Research: In the fall of 2002, WTECB staff will meet with WDC staff to discuss the 2002 edition of High Skills, High Wages and share local research data from the Employer Survey and Workforce Training Results. Additionally, the State Board for Community and Technical Colleges and WTECB will share new information from a cluster research project. Finally, WTECB will provide specific information on youth-related strategies in High Skills/High Wages.

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

CAREER CLUSTERS AND WASHINGTON STATE

National Initiative:

In 2000, the National Association of State Directors for Career and Technical Education (NASDCTEc) received a grant from the U.S. Department of Education to lead a multi-state, two year collaboration to identify the skills and knowledge, both foundational and technical, required for hundreds of occupations within 16 broad career “clusters” in the labor market. (Attachment A is a list of the 16 clusters.) NASDCTEc partnered with the State of Oklahoma to manage the project. States applied to be “leads” or “members” for the 16 teams that then worked with employers to accomplish the goals of the initiative. The Office of Superintendent of Public Instruction (OSPI) here in Washington State was very active in the Agriculture and Information Technology teams, and several high schools were test beds for the emerging products, including Pasco High School, Ballard High School, Peninsula High School, and South Kitsap High School.

In 2001, the Department of Education announced that it planned to terminate the contract on September 30, 2002, prior to its full implementation across the nation. The NASDCTEc Board of Directors voted at that time to continue to support the initiative and budgeted funds and personnel for its continuation.

Also in September 2002, representatives of K-12 career and technical education (Rod Duckworth, OSPI), postsecondary workforce education (Jim Crabbe, State Board for Community and Technical Colleges and Marcia Henkle, Wenatchee Valley College), and the Workforce Board (Ellen O’Brien Saunders) attended the “rollout” of the products that were developed under the initiative.

Role of Career Clusters in Washington State

Washington’s representatives at the rollout meeting concluded that the initiative had much value and could support directly the reforms in secondary career and technical education called for in SB 5940 as well as the significant curriculum modernization being undertaken in the community and technical college system through skill standards design and implementation. The team was impressed with the quality and utility of the work, including:

- The consistent layout, language and design for all 16 clusters.
- The extensive involvement of employers in identifying the skill and knowledge requirements.
- The extensive information on assessment tools currently available for occupations across the clusters.
- The alignment of the products with Washington State reforms.
- The value of the resources for educators at all levels, and in both academic and career and technical education fields.

- The value of the resources for in depth and focused conversations with employers about their needs both for future program design and for meeting the training needs of incumbent workers.
- The value of the resources for helping parents appreciate the variety of occupations open to their children and the kinds of educational and skill preparation needed to succeed.
- The value of these tools to schools, colleges, workforce development councils, and others who are tying their programs more closely to the economic development needs in their communities and to their area's key industries.

Indeed, as the team reflected on how the Career Cluster Initiative could be utilized, it became clear that it could provide a “framework for integrating various initiatives that are designed to improve the quality and relevance of career and technical education in Washington State.”

The team agreed to reconvene back in the state with a broader group, to develop a statement of support that the Board could adopt, and to develop and implement a communications plan to broaden the awareness within the career and technical education community, both secondary and postsecondary, of the tools that have been created.

Board Action Requested: Adoption of the accompanying Resolution in support of the career cluster initiative.

PROPOSED RESOLUTION

WHEREAS, the Workforce Training and Education Coordinating Board supports career and technical education programs that result in students being fully prepared to meet the skill needs of Washington's employers; and

WHEREAS, Objective 1.2 of High Skills High Wages 2002, Washington's Strategic Plan for Workforce Development, calls for increasing the number of young people who understand and act on career opportunities available through career and technical education programs; and

WHEREAS, Strategy 3.1.1 in High Skills High Wages 2002, Washington's Strategic Plan for Workforce Development, provides for ensuring all youth achieve the necessary skills established by industries in their chosen career pathway; and

WHEREAS, the Workforce Training and Education Coordinating Board supports the efficient delivery and articulation of career and technical education by secondary and postsecondary schools and colleges; and

WHEREAS, the Workforce Training and Education Coordinating Board supports increased investments in private and public sector training of incumbent workers so that they may strengthen their career potential while contributing to their employers' productivity and competitiveness; and













WHEREAS, the Office of Superintendent is engaged in an important reform of secondary career and technical education designed to ensure high quality education program services in secondary schools by ensuring academic rigor, aligning programs with the state's education reform requirements, helping address the skills gap of Washington's economy, and maintaining strong relationships with local advisory councils; and


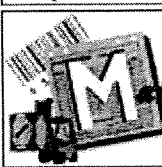

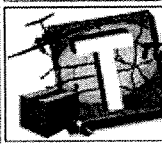
WHEREAS, the State Board for Community and Technical Colleges has supported public/private partnerships to develop 26 industry-endorsed skill standards for 67 occupational areas; and

WHEREAS, the community and technical colleges are engaged in an initiative to strengthen colleges' contributions to their regional economies by closer collaboration with business and industry and with each other.

NOW, THEREFORE, BE IT RESOLVED THAT the Workforce Training and Education Coordinating Board embrace the positive role that the Career Cluster Initiative of the National Association of State Directors of Career and Technical Education consortium can play as a framework for integrating various initiatives that are designed to improve the quality and relevance of career and technical education in Washington State, thereby advancing its goals of a highly skilled workforce and encourage and support the use of the Initiative's products and services by schools and colleges.

Labor Market Career Clusters

 Agriculture, Food & Natural Resources	<p>The production, processing, marketing, distribution, financing, and development of agricultural commodities and resources including food, fiber, wood products, natural resources, horticulture, and other plant and animal products/resources.</p>
 Architecture & Construction	<p>Careers in designing, planning, managing, building and maintaining the built environment.</p>
 Arts, A/V Technology & Communications	<p>Designing, producing, exhibiting, performing, writing, and publishing multimedia content including visual and performing arts and design, journalism, and entertainment services.</p>
 Business, Management & Administration	<p>Business Management and Administration careers encompass planning, organizing, directing and evaluating business functions essential to efficient and productive business operations. Business Management and Administration career opportunities are available in every sector of the economy.</p>
 Education & Training	<p>Planning, managing and providing education and training services, and related learning support services.</p>
 Finance	<p>Planning, services for financial and investment planning, banking, insurance, and business financial management.</p>
 Government & Public Administration	<p>Executing governmental functions to include Governance; National Security; Foreign Service; Planning; Revenue and Taxation; Regulation; and Management and Administration at the local, state, and federal levels.</p>
 Health Science	<p>Planning, managing, and providing therapeutic services, diagnostic services, health informatics, support services, and biotechnology research and development.</p>
 Hospitality & Tourism	<p>Hospitality & Tourism encompasses the management, marketing and operations of restaurants and other foodservices, lodging, attractions, recreation events and travel related services.</p>
 Human Services	<p>Preparing individuals for employment in career pathways that relate to families and human needs.</p>
 Information Technology	<p>Building Linkages in IT Occupations Framework: For Entry Level, Technical, and Professional Careers Related to the Design, Development, Support and Management of Hardware, Software, Multimedia, and Systems Integration Services.</p>
 Law, Public Safety & Security	<p>Planning, managing, and providing legal, public safety, protective services and homeland security, including professional and technical support services.</p>

 Manufacturing	<p>Planning, managing and performing the processing of materials into intermediate or final products and related professional and technical support activities such as production planning and control, maintenance and manufacturing/process engineering.</p>
 Marketing, Sales & Service	<p>Planning, managing, and performing marketing activities to reach organizational objectives.</p>
 Science, Technology, Engineering & Mathematics	<p>Planning, managing, and providing scientific research and professional and technical services (e.g., physical science, social science, engineering) including laboratory and testing services, and research and development services.</p>
 Transportation, Distribution & Logistics	<p>Planning, management, and movement of people, materials, and goods by road, pipeline, air, rail and water and related professional and technical support services such as transportation infrastructure planning and management, logistics services, mobile equipment and facility maintenance.</p>

Washington State Workforce Training and Education Coordinating Board
Minutes of Meeting No. 88
October 2, 2002

The meeting was called to order by Chair René Ewing at 8:36 a.m. at Department of Information Services Forum Building, Boardroom, Olympia, Washington. The following board members were present:

René Ewing, WTECB Chairperson
Beth Thew, Labor Representative
Sylvia Mundy, Employment Security Department (ESD)
Joe Pinzone, Business Representative
Rick Bender, Labor Representative
Mike Hudson (Alternate for Don Brunell), Business Representative
Brian Jeffries (Alternate for Terry Bergeson), Superintendent of Public Instruction (OSPI)
Tony Lee, Targeted Populations
John Atherton (Alternate for Dennis Braddock), Department of Social and Health Services (DSHS)
Earl Hale, State Board for Community and Technical Colleges (SBCTC)
Ellen O'Brien Saunders, Executive Director

Welcome and Introductions

Ms. René Ewing welcomed the Board and guests and introductions were made. Ms. Ewing introduced Ms. Beth Thew, the newest Board member.

Minutes of Board Meeting No. 87 – May 30, 2002

Ms. Ewing presented the minutes from the May 30, 2002, meeting.

Motion 02-88-01

A motion was made by Mr. Joe Pinzone and seconded by Commissioner Sylvia Mundy that the WTECB minutes of May 30, 2002, meeting be approved. The motion passed.

Minutes of Special Meeting/Teleconference – August 28, 2002

Ms. Ewing presented the minutes from the August 28, 2002, special meeting.

Motion 02-88-02

A motion was made by Mr. Rick Bender and seconded by Mr. Mike Hudson and Ms. Thew that the WTECB minutes of August 28, 2002 meeting be approved. The motion passed.

2003 Proposed Meeting Dates

The Board discussed the proposed dates and possible locations of the upcoming year. The Board also questioned whether or not a conference was to be held annually or every other year. Mr. Pinzone expressed interest in having a board meeting at Skamania Lodge.

Motion 02-88-03

Mr. Tony Lee noted that the June 2003 meeting should be in Olympia due to the Legislative session. A motion was made by Mr. Pinzone and seconded by Mr. Brian Jeffries to accept the 2003 schedule with this correction. The motion passed.

Board Retreat Follow Up

Ms. Ewing discussed the letter from the Workforce Board to Governor Locke describing what the board did at the retreat and the results.

Mr. Bryan Wilson asked members to sign a transmittal letter for the 2002 update to "High Skills, High Wages." The publication will be going to print as soon as this step is complete.

Health Care Personnel Shortage Task Force

The Board talked about the presentation to the House Higher Education Committee on Health Care Personnel Shortage Task Force (HCPSTF). The committee was very engaged and participated actively in what the Task Force was working on. Ms. Ewing complimented Madeleine Thompson on her role in supporting this committee. The Board discussed "Acute Care Hospitals Report." Ms. Ellen O'Brien Saunders handed out clearer copies for review. The Board was informed that there will be a presentation at the December board meeting and a report is due at the end of the year.

NASWA Convention

Commissioner Mundy updated the Board with information from the NASWA Convention for State Workforce agencies. There was a lot of discussion around the loss of money in the unemployment insurance area. Washington State received 6.8 percent less than what was expected but is hopeful that some additional money can be reallocated. Next year's conference, September 15, 2003, will be hosted by Washington State.

Washington State received two awards. A Prism award was presented to the Eastern Washington Agriculture and Food Processing Partnership and a NASWA award was given to Peggy Zimmerman for her work with SKIES.

Mr. Lee expressed concern on the cuts to Unemployment Insurance money and Mr. Hudson asked about the role of the employer. Mr. Bender questioned the extension of unemployment benefits. Mr. Lee wanted to know if this has been passed by Congress. Commissioner Mundy stated that this information was put out for planning purposes.

Workforce Alliance

Mr. Lee updated the Board about his meeting with the Workforce Alliance. A planning group will be set up and he will be talking to Board members individually about this. Looking at WIA reauthorization, their message is to support workforce training and they want to raise the visibility of workforce issues.

National Association of Manufacturers

Mr. Hudson shared that Ms. Phyllis Eisen was here to address the Seattle-King County Workforce Development Council's annual meeting. Mr. Brunell is on the Board of National Association of Manufacturers. Ms. Eisen talked about manufacturing environment in Washington. Ms. Eisen said they are looking at manufacturing academies in the states and are considering Washington.

Seattle Area Plumbing & Pipefitting Industry

Commissioner Mundy asked have the record show appreciation for Randy Loomans. Ms. Loomans took her to the Seattle Area Plumbing and Pipefitting Industry School in Renton. Commissioner Mundy stated that the Board should visit programs, and encouraged the Board to be involved by going out in to the field.

WIA Performance Levels

Washington State was able to adjust targets for WIA Performance Levels. Washington was the only state in the region and may be the only one in the country to get approval for revised changes. Oregon has asked for our help in constructing a regression model for them. By the end of the year, we should know if we get incentive money.

Career Clusters Initiative

Ms. Saunders discussed the Career Cluster Initiative and handed out a sample copy of the 16 cluster products and curriculum. Between now and December OSPI, SBCTC, and Board staff will work on next steps. Mr. Jeffries spoke in support of this work. Ms. Saunders reminded the Board that the materials are available on CD and on the website: www.careerclusters.org.

National Assessment of Vocational Education

Ms. Saunders also mentioned her participation on National Assessment of Vocational Education (NAVE) independent advisory panel. She noted that there is a lot of discussion about the purpose of vocational education in K-12. Some of the panel thinks the purpose is to improve academic achievement; this is troubling to the vocational education community. The NAVE report will be going to Congress soon. There may be more information to share in December.

Workforce Strategies 2002 The Leadership Difference

Ms. Saunders also talked about Workforce Strategies 2002 conference and passed around marketing brochures. Ms. Lund shared information on employer involvement. A pre-conference segment on the SKILLS projects and WorkSource One-Stops has been planned. The conference will have session on Trade and Business Associations. Ms. Ewing reminded Board members to register.

POG

Ms. Saunders also reported on the “Price of Government” initiative in which Board staff has been involved. Organized by the Office of Financial Management, the initiative is to set priorities for state government investments. It’s on a very tight timeline.

Workforce Development and Economic Development: Focusing on Key Sectors

Mr. Bob Watrus presented on cluster work. Mr. Bender inquired about the information on the construction trades. Mr. Nafziger presented on the Community and Technical Colleges’ links to Economic Development. He urged the Board to go to Alliance Education website, www.Allianceed.org for more information.

Net Impact, Benefit, and Cost Estimates of Workforce Training and Education Programs in Washington

Mr. Kevin Hollenbeck made a presentation on the Net Impact as well as Benefit/Cost Estimates of Workforce Training and Education Programs in Washington State. The report shows a positive cost benefit to the public. Mr. John Atherton asked if it were possible to sort data by ethnicity, gender, LEP, etc. Mr. Earl Hale commented on Adult Basic Education (ABE) numbers; these data bear out with their data as well. Integration of ABE and job related skills are key. Mr. Lee asked if ABE courses for job-related purposes are different from regular ABE courses. Mr. Hale stated that they are the same, but in some colleges more effort is made to link occupational skills training with basic education. Mr. Hale would like to have the Board take the data in this report and communicate it in a way that can be understood by key legislators and policy makers.

Commissioner Mundy asked about when we would be able to report on current years data. Ms. Saunders reminded the Board how long one needs to wait to look at results of training. Mr. Hollenbeck reported on a seven state project for Department of Labor/WIA. The project will start looking at data from 2001 and will have results next spring. Mr. Atherton asked about variables, demographics etc., and how they affect the outcomes. Ms. Ewing inquired about looking at targeted populations data in the report. Mr. Wilson pointed out that it is technically possible to do additional breakdowns. There is a cost associated with this. Ms. Ewing thinks we need to know this information. Mr. Hollenbeck said we might want to spend some money to have some additional survey work. Commissioner Mundy asked that we make sure that when we communicate this, that we make clear the period of time for the data.

WorkSource Indicators and Performance Targets

Mr. Wilson went over the work plan. Ms. Ewing stated that we need to be deliberate about any potential consequences of the actual results. Mr. Hudson questioned the definition of family wage; there is no consistent definition of this. Mr. Bender asked if benefits are included. Ms. Thew asked if this assumes full-time employment. Mr. Wilson added that it is based on quarterly earnings.

Operating Agency Budget Request - Employment Security Department

The Employment Security Department (ESD) has one budget request for low-income adults enhanced employment. Mr. Marc Baldwin spoke on the decision package. Mr. Nafziger asked how much they could raise with interest and principle. Mr. Atherton wanted to know if these are re-directed funds. This is an automatic transfer to unemployment insurance trust fund. Ms. Saunders asked about extent of discussion with local Workforce Development Councils. Mr. Baldwin talked about the research aspect of this. The research component is very important, need to have real evidence that something will work. Ms. Thew wanted to know if this will help employers figure out how to promote. Mr. Baldwin stated not in the first round but can figure out some ways to do that with Workforce Explorer. He would also like to present on Workforce Explorer at a later WTECB meeting. He also would like to see some discussion with legislators about this and some strategies made. Ms. Saunders asked about the evaluation process with the pilot. Mr. Baldwin said it will have an external evaluator. Mr. Hudson wondered if business and labor would do the evaluation. A team could be put together or ask for things to be included in the RFP. Both could be done and business and labor can give input, but an outside company should do the evaluation to give it more credibility. Business and labor can lend support. Mr. Baldwin suggested that they could write in one of their own.

Motion 02-88-04

Mr. Nafziger made a motion and Mr. Hudson and Ms. Ewing seconded that WTECB endorse ESD's budget request for enhanced employment pilot projects as being consistent with its review criteria and as a priority for Board advocacy in that it specifically implements a strategy set forth in the state *Strategic Plan for Workforce Development*. The motion passed.

Operating Agency Budget Request - State Board for Community and Technical Colleges

The State Board for Community and Technical Colleges (SBCTC) has several components to its request: New Enrollments, Worker Retraining, Health Care Training and Capacity, and Regional Economic Development. Mr. Hale introduced Mr. Chris Rakedahl, operating budget person. In talking to the Forecast Council, a U-shaped recovery is expected for the economy as opposed to a V-shaped recovery. Mr. Rakedahl went through the four different requests. Mr. Bender asked if there is some assessment of individual students as to whether the program is right for them. Mr. Pinzone inquired about the capacity to take on more FTE's, particularly in health care. Mr. Hale said it is a problem. The needs include more buildings, more clinical experiences in the community, and additional faculty.

Motion 02-88-05

A motion was made by Commissioner Mundy and seconded by Mr. Pinzone to endorse SBCTC's budget requests for new enrollments, worker retraining program expansion, health care training and capacity, and regional economic development as being consistent with its review criteria and as priorities for Board advocacy in that they specifically implement strategies set forth in the state *Strategic Plan for Workforce Development*. The motion passed.

Operating Agency Budget Request - Higher Education Coordinating Board

The Higher Education Coordinating Board (HECB) made a request for high demand enrollments. It plans to reward institutions that develop baccalaureate programs that allow students with applied and vocational training to continue or expand their skills, and to encourage/reward partnerships between public and private institutions. Four-year universities are opposed to the idea of allocating additional FTE's based on high demand. Mr. Wilson pointed out that recommended motion is endorsing the concept.

Motion 02-88-06

A motion was made by Mr. Hudson and seconded by Ms. Ewing that WTECB supports funding in the 2003-05 biennial budget for a pool of additional student FTEs allocated to colleges and university programs based upon the demonstration of high employment demand for program completers. Mr. Hale commented in favor. The motion passed.

Operating Agency Budget Request - WAVE

The Board received a request from the Higher Education Coordinating Board to endorse a new request for full funding for the WAVE program. Currently, we can only prorate awards at 86 percent. Commissioner Mundy asked about the percentage of students who do not use their grant at all.

Motion 02-88-07

A motion was made by Commissioner Mundy and seconded by Mr. Bender to endorse the HECB's budget request WAVE. The motion passed.

Ms. Ewing reminded the board that the next meeting will be December 18, 2002.

Ellen O'Brien Saunders, Secretary



Interagency Committee
Meeting Notes for October 20, 2002

Attending: Debbie Cook, DSB; Mike Ratko, Labor & Industries/Apprenticeship; Ginger Rich, CTED; Paul Knox, CTED; Ross Wiggins, ESD; Jim Crabbe, SBCTC; Randy Loomans, WSLC; Terry Redmon, DSHS/DVR; Bryan Wilson, Walt Wong, Pam Lund, and Ellen O'Brien Saunders, WTECB

December 18 Board Meeting Agenda

The committee reviewed the proposed agenda for the December 18 Board meeting, noting especially the report required under SB3077 (the bill which allowed for training benefits). A pre-public release briefing for business and labor stakeholders will be arranged.

Health Care Personnel Shortage Task Force

The committee reviewed the draft recommendations (and lead agencies/entities) in the report of the Task Force.

Analysis of OMB Common Measures

Bryan Wilson lead the committee through an analysis of the proposal of the Office of Management and Budget for common measures across federal agencies and federal workforce programs. The committee discussed the impact on education programs as well as TANF/WorkFirst. Paul Knox noted that the WorkFirst cabinet (sub2) needed to hear about these. The paper will be shared with the Board in December as well as with other stakeholders and opinion leaders across the country.

Review of WIA Reauthorization Communications Plan

The committee reviewed the communications plan created last spring noting the progress made and items yet to be accomplished. Ellen offered to find out from Kris Stadelman what she had done with regard to several national organizations. Ellen also noted that there would be several Washington, DC leaders attending Workforce Strategies 2002 Conference to share their perspectives on TANF, Perkins, HEA and WIA reauthorization. She noted that the conference would follow the election.

Regional Economic Clusters Work – Next Steps

Jim Crabbe discussed the upcoming meeting (October 29) that would roll out the report that Paul Sommers and Deena Heg are producing for the Board and SBCTC that will identify the key economic clusters in areas around the state. This daylong meeting (TVW will cover) will be followed by regional meetings in which college staff, other workforce development leaders, and local employers will review the data for their community and industry with the goal of targeting training to key sectors. Results anticipated: colleges will coordinate their support for key sectors; applications for new SKILLS panels; and plans for training incumbent workers in key sectors.

Workforce Strategies 2002: The Leadership Difference

Ellen shared the draft program for the November 21-22, 2002, conference and highlighted the gaps yet to fill. She noted the goals that the group identified in the spring, and the way those needs were accommodated in the program. The goal for attendance is 500-600 with an emphasis on business participation. Pam Lund is focusing on that aspect with assistance of the Association for Washington Business.

Annual Report

Ellen reminded that group that the Board needs to produce the statutorily-required annual report and is dependent on the operating agencies in order to do so. We will start on that in late November. She encouraged members to be prepared to indicate what their agencies have done in the areas in which they were the "lead" agency in "High Skills, High Wages" 2000.

Youth Development

Pam discussed the three-pronged initiative that ESD, OSPI, and Board staff have engaged in to develop a strategy to support Youth Councils and to accomplish the youth-related goals in HSHW 2002. She will update the Board on these activities in December. They include: funds to support "integration" of services (i.e., seamless comprehensive services for youth), a Youth Council Institute in the spring of 2003, and a competitive grant process to support innovative projects that will address the goals for youth in "High Skills, High Wages" 2002.

Ellen reminded that committee that the next meeting is December 3, 2002 (later cancelled).

Performance Management for Continuous Improvement Workgroup
Meeting Notes
September 9, 2002

Attending: Alex Kosmides, NW WDC; Linda Wairing, Snohomish WDC; Dave Pavelchek, WSU; Gena Wikstrom, Federation of Private Career Schools; David Prince, SBCTC; Doug Whittaker, SBCTC; Dave Wallace, ESD; John Loyle, Pacific Mountain WDC; Phil Degon, ESD; Carl Wolfhagen, WTECB; John Bauer, WTECB; James Hu, WTECB; Mehrnaz Jamzadah, WTECB; and Bryan Wilson, WTECB.

Updates

Phil informed the group that the research organization, Mathematica, is working with the Department of Labor on common performance measures for workforce development programs. He noted that the measures do not include customer satisfaction, but do include a cost per participant measure. The group expressed concern of these proposals, particularly the latter.

Bryan shared that WTECB is making a lot of progress in getting four-year colleges and universities to add their programs to the state's eligible training provider list. The majority of the four-year institutions are now included for at least some of their programs.

Carl updated the group on the data matching process for the quarter.

Dave mentioned that he now has data from the National Student Loan Clearinghouse and will analyze it to determine its usefulness for the measures of further education.

Gena described an upcoming event to better inform WorkSource staff about private career schools.

Phil discussed the Mathematica data validation project for WIA and other DOL programs involving Employment Security and local Workforce Development Councils.

Phil also mentioned that the State Auditor is conducting a compliance audit of WIA performance data on behalf of the Department of Labor.

Net Impact Evaluation

John Bauer shared the latest tables from Upjohn. John Loyle reminded the group of the need to examine whether participant characteristics, such as history of incarceration or substance abuse that were not controlled for in the comparison group, affected findings for JTPA. (Note: this was done later and Upjohn found that removing such participants from the calculation made no significant difference in the findings.) Alex said he would like to see the findings for JTPA completers. Several expressed interest in seeing the short term results for the 1997-98 participants.

Customer Satisfaction Questions

Currently, the PMCI protocols include two sets of customer satisfaction questions. One set consists of questions that PMCI workgroup devised prior to WIA. The other set consists of the questions required by the Department of Labor. The group discussed whether or not to use only the DOL questions as a way of reducing the number of indicators and the length of customer surveys.

The DOL questions are from ACSI in Michigan. ACSI uses the questions to measure customer satisfaction for a wide variety of public and private organizations and businesses. The ACSI questions, therefore, allow us to compare ourselves with others. Members of the workgroup voiced varying degrees of interest in such comparisons. Doug indicated that colleges are generally not interested in comparisons other than with other colleges, and don't particularly care for the way the ACSI questions are asked. Alex agreed that the 10 point scale of the ACSI questions is not desirable. Folks noted that the feds. are considering dropping the customer satisfaction indicators. The workgroup made no decision regarding a change in the questions.

Supplemental Data for Employment Indicators

In response to a request from the directors of the local Workforce Development Councils, Bryan asked the workgroup to take up the issue of whether to accept additional forms of supplemental data as evidence of employment of former program participants. Bryan walked the group through a paper describing the issue, the types of data that are now accepted to measure employment, the question of whether employment identified through case manager follow-up contacts with participants and/or employers should be accepted, and the pros and cons of including such case manager follow-up data. The group discussed the arguments on both sides of the issue. The group asked for clarification of the types of employment not included in the wage records that are now used as the primary source for data on employment, particularly whether employment with health care non-profit organizations and tribal organizations are included. The major type of known missing information is self-employment. Continued discussion was scheduled for the next meeting.

Performance Management for Continuous Improvement Workgroup
Meeting Notes
October 21, 2002

Attending: Alex Kosmides, NW WDC; Dave Pavelchek, WSU; David Prince, SBCTC; Doug Whittaker, SBCTC; Dave Wallace, ESD; Andrea Bone, ESD; John Loyle, Pacific Mountain WDC; Phil Degon, ESD; Carl Wolfhagen, WTECB; Mehrnaz Jamzadah, WTECB; and Bryan Wilson, WTECB.

Updates

Carl updated the group on the data matching process.

Carl shared with the group a problem that has been identified with the indicators of employment or further education for youth. The measures have been failing to capture as a positive outcome youth who return to secondary school. To solve this problem, the workgroup supported including exit into secondary education in the numerator.

Common Performance Measures

Bryan discussed the common performance measures that have been identified by the Office of Management and Budget, and a paper analyzing the measures. The group supported the analysis, except for concern about statements regarding the GED, and identified some additional weaknesses in the proposed measures.

Supplemental Data for Employment Indicators

Bryan shared some new information since the discussion at the last meeting. The new federal common measures do not include supplemental data. We have found that Washington's wage records do include health care employment not covered by unemployment insurance and tribal employment. The Wage Record Interchange System (WRIS) now includes wage records from 27 states and the list is expanding rapidly. This leaves self-employment as the major type of missing data on employment. The group discussed this. The consensus was that for individuals who have self-employment as their goal, follow-up services documenting self-employment should be accepted. The group supported moving ahead with this even though the Department of Labor may disallow such supplemental data in the future. At future meetings, the group will discuss the timing of when such data should be accepted and what types of documentation will be required.

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
2003 MEETING SCHEDULE

*Thursday, January 30, 2003 – Meeting
Olympia*

*Thursday, March 27, 2003 - Meeting
Olympia*

*Thursday, June 5 - Dinner
Friday, June 6, 2003 - Meeting
Olympia*

*Wednesday, July 30, 2003 - Retreat
Thursday, July 31, 2003 - Retreat
TBD*

*Monday, September 29, 2003 – Dinner
Tuesday, September 30, 2003 – Meeting
Wenatchee*

*Tuesday, November 18, 2003 - Dinner
Wednesday, November 19, 2003 – Meeting
Vancouver*

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT

FY 2004 U.S. DEPARTMENT OF EDUCATION BUDGET PROPOSAL

Recent information from the Association for Career and Technical Education and the National Association of State Directors of Career Technical Education Consortium, as well as an article published in Education Week on November 27, 2002, suggests that the U.S. Department of Education may be entertaining a proposal to zero out funding for the Carl D. Perkins Vocational and Technical Education Act. While this is still speculative, an opportunity presents itself for the Board to be on record as supportive of the federal funding for career and technical education. A background paper and the recommended motion follow this page.

Board Action Required: Adoption of the recommended motion.

RECOMMENDED MOTION

WHEREAS, The Workforce Training and Education Coordinating Board realizes the value of dedicated federal resources that further workforce development and career and technical education; and

WHEREAS, The Workforce Training and Education Coordinating Board believes that reduced federal funding for workforce development and career and technical education will deflate current efforts in providing employers with a skilled workforce; and

WHEREAS, The Workforce Training and Education Coordinating Board supports the work of secondary career and technical education programs and activities that contribute to the state's workforce development efforts through the use of these federal resources; and

WHEREAS, The Workforce Training and Education Coordinating Board supports the work of postsecondary workforce education programs and activities that also contribute to the state's workforce development efforts through their use of federal resources;

NOW, THEREFORE, BE IT RESOLVED, That the Workforce Training and Education Coordinating Board strongly urges the U.S. Department of Education and the Office of Management and Budget to retain current funding for the Carl D. Perkins Vocational and Technical Education Act.

BE IT FURTHER RESOLVED, That the Workforce Training and Education Coordinating Board transmit this resolution to the Office of the Governor and the relevant federal agencies.

Background:

The U.S. Department of Education (USDE), along with other federal departments and agencies, is in the process of finalizing its budget request for inclusion in President Bush's FY 2004 budget submittal due to Congress on February 8, 2003. Recently, sources at the national level have heard that the USDE is considering a proposal to zero fund the \$1.3 billion Carl D. Perkins Vocational and Technical Education Act and use those resources to make up a shortfall in the \$10.3 billion Pell Grant program. The Pell Grant program provides college aid to over 4 million low-income students. There is also speculation that the Administration may consider transferring the federal vocational education program functions to the U.S. Department of Labor (USDOL). Administration officials declined to confirm or deny reports of such a plan.

The Association for Career and Technical Education (ACTE) and the National Association of State Directors of Career Technical Education Consortium (NASDCTEc) alerted their membership regarding this matter. They are encouraging efforts to deflect any reduction in funding for Perkins.

In our state, the Perkins funds are used at the state level for workforce education administrative and leadership activities and at the local level for career and technical education program improvement and classroom activities. Both secondary and postsecondary systems benefit from these federal resources. Perkins funding for the current year is \$24,963,903. While this federal contribution in career and technical education is relatively small, about 4 percent of the combined state and federal investment, there is considerable flexibility and discretion available to recipients. Perkins funds are used to assist in program standards and skills standards work; support education reform and increased business partnerships; finance program start-up, innovation, and continuous improvement activities; and, contribute to evaluation and accountability efforts.

Next Steps:

In anticipation of continued dialogue regarding this proposal and as Perkins reauthorization emerges, the Board is encouraged to acknowledge its support for continued federal funding and dedicated resources for career and technical education. The Board will be asked to adopt the accompanying resolution for use in subsequent discussions and information-sharing opportunities with decision-makers and other parties.

GARY LOCKE
Governor



SAMPLE

STATE OF WASHINGTON
OFFICE OF THE GOVERNOR

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December 6, 2002

The Honorable Jennifer Dunn
United States House of Representatives
1501 Longworth House Office Building
Washington, D.C. 20510

Dear Congresswoman Dunn:

Jennifer
I recently learned that the Bush Administration is seriously considering eliminating all Carl Perkins (Perkins) funding in an effort to find enough federal dollars to pay for the Pell Grant shortfall. While I agree that the Pell Grant program is worthwhile, I believe that eliminating or seriously reducing Perkins funding is a major mistake.

Career and technical education, at both the secondary and postsecondary levels, equips many of our students with the abilities necessary to obtain high-skill, high-wage employment in today's knowledge-based economy. In Washington State, we are using Perkins money to foster improvements in this system. This year, we have allocated over \$12 million dollars in Perkins funding to our community and technical colleges to incorporate skill standards into the curriculum to make programs more responsive to employers' needs. Another \$2.1 million is being used for the Tech Prep program, which is aggressively moving forward with an initiative that enabled 8,182 high school students to earn college credits during the 2001-2002 school year.

High schools in Washington State have received \$9.9 million in Perkins funds to assist with the development of new graduation requirements that include career planning and to help with the creation of rigorous standards for career and technical education. These funds have also supported the integration of technical and academic skills in high school curricula, yielding numerous positive results, particularly for disadvantaged students.

Eliminating this critical and worthwhile education program when our employers are seeking skilled workers at all levels would harm our schools and communities. I urge you to advocate for continued funding for this valuable program.

Thank you for your attention to this important issue.

Sincerely,

Gary Locke
Gary Locke
Governor



**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

COMMON PERFORMANCE MEASURES FOR WORKFORCE DEVELOPMENT

The federal Office of Management and Budget (OMB) has identified common performance measures for workforce development programs. OMB expects to use these measures to calculate the results of dozens of workforce development programs that receive federal funding, including Workforce Investment Act (WIA) programs, secondary and postsecondary career and technical education, vocational rehabilitation, Wagner Peyser employment services, and Adult Education and Family Literacy, and other programs. To the extent that federal agencies already possess the data required to calculate the common measures, they will begin using the new measures. OMB plans to use the measures in documents that accompany the President's budget. The Administration will also propose that the common measures replace the current measures in each of the federal workforce development acts as they are reauthorized.

Washington State is on record supporting common performance measures across workforce development programs. The comments on WIA and Perkins reauthorization adopted by the Workforce Training and Education Coordinating Board and endorsed by the Governor's Office recommended that common measures be adopted during reauthorization. Unfortunately, the measures proposed by the Administration have serious weaknesses that prevent them from being useful as common measures.

This tab includes comments on the measures and, as attachments, the OMB common measures and the list of programs for which the measures apply. The comments were informed and supported by the interagency Performance Management for Continuous Improvement workgroup.

Board Action Requested: Adoption of the Recommended Motion.

RECOMMENDED MOTION

WHEREAS, The Workforce Training and Education Coordinating Board's authorizing statutes support the use of performance common measures for workforce development programs;

WHEREAS, The Workforce Training and Education Coordinating Board has identified common state measures for workforce development and has extensive experience in their application;

WHEREAS, The Workforce Training and Education Coordinating Board and Washington State have recommended to the federal Departments of Labor and Education that common performance measures be adopted during the reauthorization of the Workforce Investment Act and the Carl D. Perkins Vocational and Applied Technology Education Act;

WHEREAS, The federal Office of Management and Budget has identified common performance measures for workforce development; and

WHEREAS, The common performance measures identified by the Office of Management and Budget's have serious weaknesses that prevent them from being useful as common measures;

THEREFORE BE IT RESOLVED, That the Workforce Training and Education Coordinating Board approve the Comments on the Office of Management and Budget's Common Measures for Workforce Development Programs and transmit the comments to the Office of the Governor and the relevant federal agencies.

Comments on the Office of Management and Budget's Common Measures for Workforce Development Programs

In 1994 Washington State began the process of identifying system goals and common performance measures for workforce development programs including secondary and postsecondary career and technical education, adult education and literacy, and the three titles of the Job Training Partnership Act. After nearly two years of work with program representatives, the state's Workforce Board, consisting of the heads of the affected programs and a supermajority of business and labor members, adopted common measures. The measures have now been in use for six years, and have been applied to additional programs, including vocational rehabilitation. This experience provides the background for these comments.

The Administration is to be applauded for moving forward to identify common measures. Common measures that are standardized across programs are necessary for treating workforce development programs as a system and for ensuring that all parts of the system are working toward the same goals, with performance measured in the same way across funding streams.

The Office of Management and Budget's proposal contains positive features:

- ❖ A smaller and, therefore, more manageable, number of measures.
- ❖ The elimination of credential and goal attainment measures that seem impossible to standardize across the nation.
- ❖ A reliance on administrative records to measure employment, a feature that will help with standardization (although an exception probably should be made for participants whose goal is self-employment, in order to avoid creating a disincentive for programs to offer assistance to would be entrepreneurs).
- ❖ The elimination of separate measures for younger and older youth that created problems associated with very small numbers of participants.
- ❖ Elimination of nontraditional measures that are process rather than outcome measures.

The proposed measures, however, do have severe weaknesses.

The measures are still unnecessarily too complex: For example, the individuals counted in the measures vary from one measure to another. It is unclear why the Administration did not propose simple measures such as: the percentage of former participants that are employed during (x) period after exit, and the median earnings of former participants that are employed during the (x) period after exit. Such measures would be much easier to explain to policy makers and others. Beside ease of explanation, measures that include the full population of former participants would eliminate the incentive for much of the "gaming" that now goes on in trying to determine how to maximize measured performance results. Too much effort is spent trying to maximize numbers by adjusting things that affect the numbers (such as the timing of registration and exit and employment status at registration) that have no real effect on participant results.

The employment and earnings measures are inappropriate for assessing effectiveness of postsecondary education programs: The proposed employment and earnings measures are designed for programs that enroll unemployed individuals, quickly prepare them for employment, assist them to find employment, and then attempt to improve earnings. Education programs are not like that. Approximately 70 percent of community and technical college

vocational-technical education students are employed at the time of enrollment. The proposed measure on entered employment would thus apply to only 30 percent of the postsecondary students. Many postsecondary programs require licensure prior to employment in their field, and licensure exams are often available only months after program completion. As a consequence, many postsecondary students in the best and most important programs, such as health care, would not be included in the count for the proposed employment retention measure. Also, because such students would not have earnings from employment related to their training until months after exit, their earnings resulting from training would not be captured, at least not fully, in the first of the two proposed earnings increase measures.

The poor fit with postsecondary education is of particular concern because the states' community and technical colleges are the single biggest part of the nation's workforce development system. Another concern is that Washington State and others have implemented internet-based consumer report systems that enable the public to see the employment and earnings outcomes for all students of particular postsecondary training programs. (Our consumer report system is a state effort that began prior to the enactment of WIA. See <http://www.wtb.wa.gov/jtr/>.) The measures should work as well as possible for the vast array of offerings at the states' community and technical colleges and private career schools. If states' must use different measures for their consumer report systems than they use for the federal common measures it will add complexity and confusion to the states' performance accountability systems for workforce development and increase frustration and costs for educators.

The earnings increase measure has too much variability, too much missing data, too short of a time horizon, and can be misleading: The major factor that affects a measure of pre- post earnings change is the level of pre-earnings. For WIA adults services we have found that our initial negotiated targets were considerably off the mark because the program actually enrolled individuals with significantly higher pre-earnings than had occurred under JTPA. For dislocated worker programs, there is a special problem in that the pre-earnings of participants varies greatly from one year to another depending on the industries and occupations experiencing dislocations that year. For particular training programs at individual institutions, there is again a great deal of variability from one year to another in the pre-earnings of program participants.

Another weakness with measures of pre-post earnings change is that for many participants there are no records in wage files for earnings during the pre-period. One cannot tell whether these participants had no earnings during the pre-period or whether they had earnings that are not recorded in the wage files because the earnings were in employment (such as self-employment) not covered by the state's reporting system. From a technical research perspective, an absence of data should be treated as missing data and not counted as zeros or anything else. But doing that disadvantages programs that enroll substantial numbers of participants with no earnings during the pre-period. This is a difficult dilemma to resolve. Technically, the worst way to resolve is to treat missing data as zeros in the pre-period but as missing data in the post period; such a method obviously inflates the results above what they actually are. One way of resolving the dilemma is to simply look at post-program earnings levels.

The second of the proposed earnings increase measures attempts to look at the earnings increase from post-quarter one to post-quarter three. The main thing the measure will capture is the extent to which individuals employed in post-Q3 were employed during only part of post-Q1. In other words, programs will look good to the extent that their former participants first obtained employment during the later, rather than the early part of Q1. If one is really interested in

whether or not individuals have employment that is generating increased earnings over time, post-quarter two should be the earliest starting point, and the time horizon should extend out at least a year from there.

A final weakness in the proposed measure is that earnings change measures can paint a misleading picture of a program's relative effectiveness. To the extent they serve previously unemployed or very low income individuals, programs will look better. This can have perverse consequences. Secondary vocational-technical education may appear to be better than postsecondary vocational-technical education. A college program for certified nursing assistants may appear better than a college program for registered nurses if the former enrolls a lot of unemployed individuals and the latter enrolls a lot of dislocated workers. Earnings change measures, therefore, are especially weak as consumer report measures.

Efficiency measure does not measure efficiency: An efficiency measure is a measure of an input per outcome (or at least output). The proposed measure only measures the amount of one input (money) per another input (number of participants). It is a cost measure. Presumably less is better. The same measure could be labeled "investment" and then presumably more would be better. Washington State measures net outcomes per program cost. That is a true efficiency measure. Research shows that on the average the greater the investment per participant, particularly by investing in occupational skills training, the better the outcome in terms of participant earnings. The proposed measure, therefore, has the perverse effect of incentivizing negative program behavior.

Educational attainment should be measured: In order for the common measures for adults to make sense for the workforce development system that includes education programs, there must be some measure of educational attainment. While the current measure of credentials used by the Department of Labor has not been successful, this does not mean there should be no measure of educational attainment. Perhaps the solution lies in measuring formal degrees and certificates only. It would be ironic if the nation's common measures for workforce development for adults did not include some measure of increased skills.

Measures Unique to Youth and Lifelong Learning Programs

The placement in employment or education measure as written makes no sense for secondary vocational-technical education: In order for the measure to apply to secondary vocational-technical education, it clearly needs to include individuals who are already enrolled in education when starting the program. As the measure is now written, the numerator and denominator would both be zero for secondary vocational-technical education.

The language does not include return to secondary school as a positive outcome. Returning dropouts to secondary school is a very positive outcome that should be counted.

The first quarter after exit is too soon to measure placement for two reasons. One, it is not unusual for high school graduates to take off the quarter after graduation before entering employment or postsecondary education. And two, since too many students enroll in a single quarter or semester of postsecondary education and then drop out, a quarter later than post-quarter one would be a better measure of effective postsecondary placement.

Literacy and numeracy gains: The language is ambiguous, but may imply that there a common assessment instrument would be mandated. While this is a method for consistency across the nation, there would be a great deal of resistance to mandating universal use of a standardize assessment instrument.

Earnings should be measured: This is an important omission. Many young people leave youth programs for immediate employment without attending postsecondary education. Approximately one-third of secondary vocational-technical education students fall in this category. Nationwide the number of young people who enter employment without postsecondary education or training is a huge number, an important segment of the labor market, and a segment that needs improved earnings. Improving the earnings of young people who choose to work without attending postsecondary education should be an important goal of workforce development programs and should be measured. Washington State's core indicators for youth include the earnings level of former program participants that are not enrolled in education or training.

Retention should be measured: The proposed measures for youth do not look beyond the first quarter after exit. There should be a measure of employment and/or further education beyond the first quarter after exit in order to measure the more lasting effect. Washington State uses a single measure of employment and/or further education during the third quarter after exit, rather than separate measures for placement and retention.

National regression models should be used: In order to avoid creating disincentives for serving hard to serve populations, the results on the performance measures should be adjusted by national regression models that take participant demographics and local economic conditions into account.

Wage Record Interchange System (WRIS) should become available to measure the results of all workforce development programs: The reliance solely on wage records for measuring employment and earnings will not work unless WRIS becomes available for measuring the performance of all programs.

Attachment A

Common Measures for Job Training

Department of Labor (17):

Adults

- Dislocated Workers
- Adult Employment and Training
- NAFTA Transitional Adjustment Assistance (TAA)
- Employment Service
- Native American Employment and Training
- Community Service Employment for Older Americans
- Migrant and Seasonal Farmworkers
- H-1B Technical Skills Training
- Programs for Veterans (4):
 - Veterans Workforce Investment Program
 - Disabled Veterans Outreach Program
 - Local Veterans Employment Representatives
 - Homeless Veterans

Youth and Lifelong Learning

- Youth Activities
- Job Corps
- Youth Opportunity Grants
- Responsible Reintegration of Youthful Offenders

Department of Education (10):

Adults

- Adult Education
- Vocational Education (3):
 - Basic Grants (postsecondary students)
 - Tribally Controlled Postsecondary Vocational and Technical Institutions
 - Tech-Prep Education (postsecondary students)
- Rehabilitation Services (5):
 - Vocational Rehabilitation Grants to States
 - American Indian Vocational Rehabilitation Services
 - Supported Employment State Grants
 - Projects with Industry
 - Migrant and Seasonal Farmworkers

Youth and Lifelong Learning

- Vocational Education (2):
 - Basic Grants (secondary students)
 - Tech-Prep Education (secondary students)
- State Grants for Incarcerated Youth Offenders

Department of Health and Human Services (1):

- Temporary Assistance to Needy Families

Department of Veterans Affairs (1):

- Vocational Rehabilitation and Employment Services and Benefits

Common Measures for Job Training

Department of the Interior (1):

Job Placement and Training

Department of Housing and Urban Development (1):

Youthbuild

Attachment B

Job Training Common Performance Measures Notes

Footnotes

1. For the TANF program, the Entered Employment numerator is “Of those who receive TANF cash assistance in a quarter, the number who became employed in that quarter after being unemployed in the previous quarter.”
2. For the TANF program, the Entered Employment denominator is “The total number of unemployed TANF cash assistance recipients from the ‘previous quarter’ identified in the numerator.”
3. For the TANF program, the Retention in Employment numerator is “Of those who received TANF cash assistance and are employed in a quarter (Q-a), the number of adults who were employed one (Q-b) and two quarters (Q-c) later (regardless of TANF assistance status).”
4. For the TANF program, the Retention in Employment denominator is “The number of participants employed in Q-a.”
5. For the TANF program, Earnings Increase Numerator 1 is “For those who received TANF cash assistance and who had earnings from employment in Q-a, their earnings in Q-a minus their earnings two quarters prior to being determined eligible for TANF cash assistance.” Earnings Increase Numerator 2 is “For those who received TANF cash assistance and who had earnings from employment in Q-a, their earnings in Q-c minus their earnings in Q-a.”
6. For the TANF program, Earnings Increase Denominator 1 is “TANF cash assistance recipients’ earnings two quarters prior to being determined eligible for TANF cash assistance.” Earnings Increase Denominator 2 is “TANF cash assistance recipients’ earnings in Q-a. “
7. For the TANF program, the Efficiency numerator is “Total federal TANF and State Maintenance of Effort expenditures, as reported by the states, on work-related activities/expenses, transportation, and a proportional amount on administration and systems.”
8. For the TANF program, the Efficiency denominator is “Number of adults receiving TANF.”
9. “Not in Education” includes those participants who have completed high school or its equivalent and have not yet entered postsecondary education.
10. In the case of DOL programs, attainment of a degree/certificate will be determined within the one-year follow-up period that exists for those programs. In the case of ED programs, The completion rates for secondary and postsecondary vocational education are calculated by each State using a methodology and time period it determines.

General Notes

- A. The Adult Ed program includes participants with both employment and educational outcomes. As a result, the program will be measured under the Adult measures, however, the Department may opt to use the “Attainment” and “Literacy/Numeracy” measures from the Lifelong Learning measures in addition
- B. The Voc ED program for Postsec. students includes participants with both employment and educational outcomes. As a result, the program will be measured under the Adult measures, however, the Department may opt to use the “Attainment” measure from the Lifelong Learning measures in addition.
- C. Virginia’s Voc. Rehab. Program follows-up on cases for 60 days after placement before closing the case and declaring rehabilitated status. To be consistent with other programs in the job training common measures, Virginia will use the date of employment as the program exit point.
- D. Education’s VocRehab: an employment outcome is defined as competitive employment (at least the minimum wage) in the integrated labor market, and other outcomes as determined by the secretary, which include homemakers/unpaid family workers.
- E. Tribal programs will move toward use of UI wage records. In the mean time, there may be some reliance on administrative records as tribes make the shift to UI wage records.
- F. Where UI Wage Records are cited as the data set, UI records are either the sole source of data or the source against which administrative records must be verified.
- G. All programs will need to use a unique client identifier that can calculate the unduplicated count of program participation but it will not specify what that identifier is.

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

YOUTH WORKFORCE DEVELOPMENT (YWD) ACTIVITIES

BACKGROUND:

In PY 2001, a youth policy workgroup co-chaired by OSPI and AWB made recommendations that shaped youth-related objectives and strategies in *High Skills, High Wages 2002 (HSHW 2002)*. These updates and revisions provided the foundation for partnership work between Employment Security (ESD) and Workforce Board staff.

ACTIONS:

ESD, on behalf of Governor Locke, initially allocated \$750,000 to statewide youth activities in PY 2002. This amount has been augmented to over \$1 million to fund the following activities:

1. Four direct service projects in dropout prevention and retrieval, and/or business-education partnerships, which will increase the number of eligible youth served, and implement *HSHW 2002* youth strategies. (Summaries attached)
 - “Project Start Out”---Seattle-King WDC (\$198,805)
 - “A Taste of Business Beyond the Orchards”---North Central WDC (\$45,960)
 - “The NET: Alternatives for Education and Training”---Spokane WDC (\$200,000)
 - “Academic and Career Excellence”---Tri-County WDC (\$200,000)

Mike Hudson, AWB, Randy Loomans, WLSC, Brian Jeffries, OSPI, and Chet Sadlow, Big Brothers/Big Sisters of Thurston County served on the panel that reviewed the YWD Proposals. 11 proposals were received from 7 WDCs.

2. Service integration planning, which is a strategic process where multiple resources are linked in the common goal of helping all youth become more successful in school and in planning for their futures. The system that serves youth then appears to the youth customer to be one organization and access to services is easily navigated, ensuring individual and system outcome success. Each WDC is being given the opportunity to request \$30,000 to further these efforts. This is a non-competitive request.
3. In order to advance the youth-related goals and strategies of *HSHW 2002*, a Youth Council Institute will be held in Fall 2003 to continue dialogue between local and state partners, showcase best and promising projects, and further implement service integration activities regionally and statewide.

These 2002-03 efforts will generate model programs, enable and support service integration, and help more young people gain the necessary core skills to be productive citizens.

Board Action Required: None. For informational purposes only.

Project Start Out

Submitted by: Seattle-King WDC

Request: \$198,805

This proposal is a continuation of a successful pilot that builds career path to health professions for youth of color. The program will focus on recruitment of WIA eligible youth attending Chief Sealth and Rainer Beach High Schools, and will target subsets of bilingual, 16-19 low-income, and students at-risk of dropping out of school. The project proposes to offer seven year-round components: subsidized work-based learning, nurse assistant training, career and life planning, college preparation, tutoring, mentoring, and employer paid internships. The proposal states that at least 44 youth will become Certified Nurse Assistants. This proposal has \$54,395.00 in matching funds.

Partners:

Seattle Youth Employment Program—lead agency; recruitment, assessment, case management, placement into work-based learning and internships

Seattle Sea Mar Community Health Clinic—developed concept, advisory to project

South Seattle Community College—offer Certified Nurse Assistant training

University of WA School of Nursing—“Get A Life” career and life planning services

University of WA Office of Minority Affairs—workshops to prepare for and finance college

Group Health Cooperative—financial assistance and after-school employment

Harborview Hospital, Swedish Medical Centers, Providence Hospitals—work experience and paid internships

A Taste of Business: Beyond the Orchards

Submitted by: North Central WDC

Request: \$45,960

This proposal plans to implement and sustain a business cooperative, using experiential learning to re-engage dropouts, and retain those at-risk of dropping out. Serving youth located in the rural Bridgeport community, the project plans to serve 8 WIA eligible youth enrolled in the Aurora Alternative High School, and retrieving an additional 10 WIA youth in targeted subsets including youth parents, LEP youth, and children of seasonal farmer migrant workers. Participants will gain exposure and training in day care careers, computer marketing sales, video production, and Food Service. Youth who are parents will also have childcare available. This proposal has \$70, 275.00 in matching funds.

Partners:

Enterprise for Progress in the Community (EPIC)—primary partner, will host the childcare center, training for a childcare endorsement, and adult mentoring. EPIC is a contractor with the Bridgeport School District.

Starbucks Coffee—participating employer

Chartwell Food Service---participating employer

The Gene Pool---participating employer

ECorps/AmeriCorps---mentoring

Douglas County PUD---participating employer—Internet broadcasting opportunities

KBTC Public Television---participating employer—Internet broadcasting opportunities

VIB-TV—participating employer—Internet broadcasting opportunities

Bates Technical School---Internet broadcasting opportunities

The NET: Alternatives for Education and Training

Submitted by: Spokane WDC and ESD 101

Request: \$200,000

This proposal will work with Educational Service District 101, which provides service to 59 public school districts, to serve 100 at-risk and dropout students with a rapid reentry education clinic model. This proposal includes online curriculum and GED completion; coordination of support services and job shadows/work-based learning opportunities with an employment specialist; career exploration; a career fair; and apprenticeship and trades training with the twilight program offered through the Spokane Area Professional Technical Skills Center. This proposal has \$369,536.00 in matching funds.

Partners:

Educational Service District (ESD) 101—primary service provider, coordination with school districts

Spokane Skills Center—operation of Twilight Program (after normal school hours) for all enrolled participants

TestOut---tests for Cisco CCNA, Microsoft MCP, Comp TIA A+ and Network + and Novell Certification

Providence Health Services—conduct a health careers fair; offer employment opportunities to project participant completers

Western States Operating Engineers—online training courses in Occupational Safety and Health, HazMat, Human Resources, Environmental Compliance, and Radiation Safety

Evie Lawry/Apprenticeship Coordinator—outreach, presentations

Inland Northwest Apprenticeship Coordinators Council—presentations, site tours

Spokane Homebuilders---presentations, site tours

Associated General Contractors---presentations, site tours

Community Colleges of Spokane Apprenticeship Training Center---presentations, site tours

Academic and Career Excellence (ACE)

Submitted by: Tri-County Workforce Development Council

Request: \$200,000

This proposal will serve 40 Yakima County students ages 14-21 who have dropped out or are at risk of dropping out of school. ACE will target nine school districts, five of which serve youth living on the Yakima Nation Reservation, and have the largest population of migrant students in Washington State. This project is built around effective practices identified with early intervention and awareness, adult mentoring, parental support, alternative opportunities for learning, and connecting to the workforce. ACE will use a goal-orientated case management system, and will meet both with students and school guidance counselors. Students will participate in career awareness activities in one of three vocational areas: Health and Human Service, Construction and Building Trades, or Para-Education. The project has \$145,500 in matching funds.

Partners:

Yakima Valley Farmers Clinic (YVFC)—employment and training services

Yakima Valley Opportunities Industrial Center—employment and training services

Yakima School District—identify and refer students, facilities use after school

Grandview School District--- identify and refer students, facilities use after school

Sunnyside School District--- identify and refer students, facilities use after school

Mt. Adams School District--- identify and refer students, facilities use after school

Mabton School District--- identify and refer students, facilities use after school

Granger School District--- identify and refer students, facilities use after school

Toppenish School District--- identify and refer students, facilities use after school

Wapato School District--- identify and refer students, facilities use after school

Zillah School District--- identify and refer students, facilities use after school

EXCEL High School---alternative education programs and dropout retrieval

ConneX—Health Care training via YVFC, supported by U.S. Department of Health and Human Services, Washington Health Foundation, Group Health Community Foundation and Washington Dental Service Association

Yakima Valley Community College---student referrals, math and science camps, curriculum development, financial aid workshops

Yakima Chamber of Commerce---coordination with Business Education Partnership, including internships, mentoring, business and teacher support

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

STUDENT OPTIONS LEGISLATION

Background:

Currently, under state statute, school districts must provide a set of courses that enable students to meet the minimum entrance requirements for a baccalaureate-granting institution. A bill was introduced by Representative Kathy Haigh in the 2001 session that would have required school districts to provide, within each educational pathway, a course of study:

1. For students whose educational plans include the pursuit of a professional or technical certificate or degree that requires less than four years of postsecondary training.
2. For students who are planning to defer further educational plans and enter the world of work upon graduation from high school.

The Washington Association for Career and Technical Education (WA-CTE) has placed the reintroduction and passage of this “student options” bill high on their legislative agenda. The student options bill that was introduced in 2001 (see attached HB 1841) did not receive a hearing during that session or the 2002 session.

Board Action Requested: Adoption of the accompanying Resolution in support of student options legislation.

Resolution

WHEREAS, RCW 28A.230.010 and .130 require school districts to identify and offer courses that meet the minimum entrance requirements for a baccalaureate-granting institution; and

WHEREAS, RCW 28A.655.060(3)(c) requires school districts to provide students with the opportunity to pursue career and educational objectives through educational pathways; and

WHEREAS, evaluations of career-focused high school programs like “High Schools That Work” and career academies have shown their effectiveness in improving learning and/or keeping at-risk students engaged in learning; and

WHEREAS, the Workforce Training and Education Coordinating Board’s net impact evaluation shows that secondary career and technical education increases student employment and earnings and generates tax revenues that exceed the cost of the program;

WHEREAS, 81 percent of the expected job openings between 2000 and 2008 in Washington State will require less than four years of postsecondary education and training; and

WHEREAS, 40 percent of the same job openings will require some postsecondary training; and

WHEREAS, the shortage of skilled workers in this state has hurt economic vitality through lower productivity, reduced production output and sales, and reduced product or service quality.

NOW, THEREFORE, BE IT RESOLVED THAT the Workforce Training and Education Coordinating Board supports student options legislation that ensures high school students in each school district throughout the state have the opportunity to enroll in a rigorous program or course of study that helps prepare them for jobs that do not require a four year baccalaureate degree.

HOUSE BILL 1841

State of Washington

57th Legislature

2001 Regular Session

By Representatives Haigh, Rockefeller, Doumit, Keiser, McDermott,
Clements, Schoesler, Kagi and Lovick

Read first time . Referred to Committee on .

1 AN ACT Relating to courses of study options offered by public high
2 schools; and amending RCW 28A.230.010 and 28A.230.130.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 28A.230.010 and 1990 c 33 s 237 are each amended to
5 read as follows:

6 School district boards of directors shall identify and offer
7 courses with content that meet or exceed:

8 (1) The basic education skills identified in RCW 28A.150.210;

9 (2) The graduation requirements under RCW 28A.230.090; and

10 (3) The courses required to meet the minimum college entrance
11 requirements and provide additional options under RCW 28A.230.130.

12 Such courses may be applied or theoretical, academic, or
13 vocational.

14 **Sec. 2.** RCW 28A.230.130 and 1991 c 116 s 9 are each amended to
15 read as follows:

16 (1) All public high schools of the state shall provide ((a
17 program)), directly or in cooperation with a community or technical
18 college, an apprenticeship committee, or another school district, for

1 students the opportunity to take any or all of the following courses of
2 study within each educational pathway required to be offered under RCW
3 28A.655.060(3)(c):

4 (a) A course of study for students whose educational plans include
5 application for entrance to a baccalaureate-granting institution after
6 being granted a high school diploma. The program shall help these
7 students to meet at least the minimum entrance requirements under RCW
8 28B.10.050;

9 (b) A course of study for students whose educational plans include
10 the pursuit of a professional or technical certificate or degree that
11 requires less than four years of postsecondary education. The program
12 shall help these students receive industry certification upon
13 completion of the program, and/or have the opportunity to articulate to
14 postsecondary education and training programs related to their
15 secondary program; and

16 (c) A course of study for students who are planning to defer
17 further educational plans and enter the world of work upon graduation
18 from high school. The program shall help students demonstrate the
19 application of essential learning to the world of work, occupation-
20 specific skills, knowledge of more than one career or job option within
21 their chosen pathway, and general workplace skills.

22 (2) The state board of education, upon request from local school
23 districts, may grant temporary exemptions from the requirements to
24 provide the program described in subsection (1) of this section for
25 reasons relating to school district size and the availability of staff
26 authorized to teach subjects which must be provided.

--- END ---

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

TRAINING BENEFITS PROGRAM REVIEW

Substitute House Bill 3077, enacted in 2000, established the Training Benefits Program providing additional weeks of unemployment insurance for dislocated workers who enroll in retraining.

Section 9 of SHB 3077 (attached) requires the Workforce Training and Education Coordinating Board to review the Program and report to the Legislature by December 1, 2002. The Section delineates the information that the review is to cover, including information that is to be provided by the Employment Security Department (ESD). Sections 6-9 of the report were prepared by ESD for inclusion in this report.

This report is offered to the Legislature in fulfillment of this assignment.

Board Action Required: None. For informational purposes.

Substitute House Bill 3077

{+ NEW SECTION. +} Sec. 9. (1) The work force training and education coordinating board, with the cooperation and assistance of the state board for community and technical colleges and the employment security department, shall review the participation in the training benefits program under section 8 of this act and report to the appropriate committees of the legislature by December 1, 2002, on the following:

(a) A demographic analysis of participants in the training benefits program under this section including the number of claimants per standard industrial classification code and the gender, race, age, and geographic representation of participants;

(b) The duration of training benefits claimed per claimant;

(c) An analysis of the training provided to participants including the occupational category supported by the training, those participants who complete training in relationship to those that do not, and the reasons for noncompletion of approved training programs;

(d) The employment and wage history of participants, including the pretraining and posttraining wage and whether those participating in training return to their previous employer after training terminates;

(e) The impact of training benefits paid from the unemployment compensation fund on employers' unemployment insurance contributions. The review shall include the impact by rate class, industry and business size, and overall impact; and

(f) An identification and analysis of administrative costs at both the local and state level for implementing this program.

(2) The employment security department shall collect the following information:

(a) The number of applicants disqualified for unemployment benefits under Title 50 RCW by disqualifying reason;

(b) The benefits costs resulting from claims in which the claimant requalifies under sections 12 through 14 of this act and the extent to which these costs are socialized;

(c) An analysis of the disqualification and requalification for benefits and the impact on claimants and employers; and

(d) An analysis of RCW 50.20.050(2)(c), including demographics of affected claimants and employers.

(3) Any demographic information collected under this section will be aggregated to ensure that the confidentiality provisions of chapter 50.13 RCW extend to claimants and employers who are the subject of this study.

TRAINING BENEFITS PROGRAM REVIEW

December 2002

Workforce Training and Education Coordinating Board
128 10th Avenue SW, PO Box 43105, Olympia, WA 98504-3105
(360) 753-5662/Fax (360) 586-5862
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TRAINING BENEFITS PROGRAM REVIEW

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TRAINING BENEFITS PROGRAM REVIEW

1. INTRODUCTION and SUMMARY

Substitute House Bill 3077, enacted in 2000, established the Training Benefits Program providing additional weeks of unemployment insurance for dislocated workers who enroll in retraining.

1. For dislocated workers from the Aerospace, Timber, and Fin-fishing industries, training benefits amounting to a total of 73 times their weekly benefit amount (WBA) were to be paid, less any amount of regular benefits and extended benefits paid.
2. For dislocated workers from other industries, training benefits amounting to a total of 52 times their WBA were to be paid, less any amount of regular benefits and extended benefits paid.

The bill established funding limits of no more than \$60 million by June 30, 2002, and no more than \$20 million annually after June 30, 2002, excepting funds that were carried forward from one year to another.

The Employment Security Department administers the Program.

Section 9 of SHB 3077 requires the Workforce Training and Education Coordinating Board to review the Program and report to the Legislature by December 1, 2002. The Section delineates the information that the review is to cover, including information that is to be provided by the Employment Security Department (ESD). Sections 6-9 (pages 13-17) were prepared by ESD for inclusion in this report.

This report is offered to the Legislature in fulfillment of this assignment. The report is based on Program administrative records and student records from colleges and private schools. Information was also obtained from a survey of former Program participants. The Social and Economic Sciences Research Center of Washington State University conducted the phone survey during October of 2002. They received responses from 457 former participants, 173 of whom did not complete their training. The response rate was 63 percent.

Summary of Major Findings

Participant Characteristics

- About three-quarters of the participants were laid-off from a manufacturer. Almost one-half were from an aircraft manufacturer.
- The participants were disproportionately male (62 percent). The large majority was white, reflecting the state's population.
- About one-half of the participants had no college education prior to the Program.
- One-half of the participants were from either King or Snohomish County.

Participant Training

- Most of the participants (85.3 percent) were trained at a community or technical college.
- The largest number of participants (25.9 percent) attended an information technology program.
- Most Program participants (69 percent) completed their training.
- The most common reason for not completing training was the need to find a job rather than continue school, closely followed by the ending of unemployment benefits.

Participant Employment and Earnings

- Three quarters after leaving the Program, over 80 percent were either employed or in further education.
- Among those working and not in school, the median annual earnings were \$29,228, and the median hourly wage was \$15.71.
- Program participants made an average of about 90 percent of their predislocation earnings and wages.
- There was a pre-post shift away from manufacturing and toward employment in the service sector.
- Eighty percent of the participants who were employed after the Program were employed in a new occupation.
- Among laid-off aircraft workers who were employed after the Program, 40.2 percent returned to their former employer. This accounts for 96 percent of all the Program participants who returned to their previous employer.

Program Administration, Effect on Trust Fund, and Impacts of changes in Requalification

- The annual administrative cost of the Program was \$1.5 million.
- The average number of weeks that Training Benefits were paid was 27.3 weeks.
- The net obligation amount through June 30, 2002, was \$73.9 million.
- Overall the impact on the Unemployment Insurance Trust Fund, while substantial in terms of payments, was relatively minimal in terms of the entire Trust Fund balance.
- The costs incurred by the Program did not affect the tax schedules in place for the last two years.
- There was a slight decrease in the percentage of individuals requalifying for unemployment benefits, a decline from 5.24 percent to 4.92 percent.

2. PARTICIPANT CHARACTERISTICS

This section of the report describes the characteristics of 8,266 individuals that participated in the Training Benefits Program from its inception until June 30, 2002. June was the cutoff date for this report in order to have sufficient time for reporting data.

Table I shows the industry of the participants' last employer prior to entering the Training Benefits Program. About three-quarters of the participants were laid-off from a manufacturer. Almost one-half were from an aircraft manufacturer.

Table I
Pre-Program Industry of Employment

Industry	Number of Participants	Percentage of All Participants
Agriculture	40	.5%
Forestry	11	.1
Fishing	15	.2
Mining	11	.1
Construction	112	1.5
General Contractors	27	.4
Heavy Construction	22	.3
Trades	63	.8
Manufacturing	5,865	76.4
Apparel	46	.6
Logging, Wood, Paper	683	8.9
Plastics	67	.9
Aluminum	285	3.7
Computers	63	.8
Semiconductors	60	.8
Electric capacitors	82	1.1
Aircraft	3,585	46.7
Instruments	126	1.6
Sporting Goods	84	1.1
Other Manufacturing	784	10.2
Transportation, Communications, Utilities	261	3.4
Wholesale Trade	245	3.2
Retail Trade	255	3.3
Finance, Insurance, Real Estate	122	1.6
Services	653	8.5
Temporary Help	131	1.7
Education	90	1.2
Engineering, Research, Management	43	.6
Medical Services	43	.6
Other Services	346	4.5
Public Administration	89	1.2

Table II shows the gender, race/ethnicity, and age of the Program participants. The participants were disproportionately male. The large majority were white, reflecting the state's population. The age range was fairly wide, but 87 percent were between 25 and 54 years old.

Table II
Participant Demographics

	Number of Participants	Percent of Participants
Gender		
Male	5,083	61.9%
Female	3,124	38.1
Race/Ethnicity		
White	6,229	75.9
African American	307	3.7
Hispanic	319	3.9
Native American	97	1.2
Asian, Pacific Islander, Alaska Native	781	9.5
Not Identified	474	5.8
Age		
19-24	467	5.7%
25-34	2,184	26.6
35-44	2,836	34.6
45-54	2,108	25.7
55 plus	604	7.4

Table III shows the education level of Program participants prior to entering the Program. About one-half of the participants had no college education prior to entering the Program.

Table III

Highest Education Level Prior to Program	Number of Participants	Percentage of Participants
No High School Diploma or GED	386	4.7%
GED	264	3.2
High School Diploma	3,462	42.2
Some College (no degree)	3,147	38.3
Vocational Certificate or Associate Degree	380	4.6
Bachelors Degree	432	5.3
Masters Degree	81	1.0
Doctorate	54	.7

Table IV shows the number of participants from each county in Washington. Half of the participants were from either King or Snohomish County.

Table IV
County of Residence

County	Number	Percent	County	Number	Percent
Adams	1	0.01%	Lewis	183	2.25%
Asotin	2	0.02	Lincoln	2	0.02
Benton	24	0.30	Mason	61	0.75
Chelan	42	0.52	Okanogan	74	0.91
Clallam	43	0.53	Pacific	16	0.20
Clark	659	8.11	Pend Oreille	3	0.04
Columbia	1	0.01	Pierce	1,034	12.72
Cowlitz	277	3.41	San Juan	2	0.02
Douglas	26	0.32	Skagit	123	1.51
Ferry	10	0.12	Skamania	11	0.14
Franklin	1	0.01	Snohomish	1,796	22.09
Garfield	0	0.00	Spokane	206	2.53
Grant	41	0.50	Stevens	46	0.57
Grays Harbor	131	1.61	Thurston	134	1.65
Island	92	1.13	Wahkiakum	4	0.05
Jefferson	32	0.39	Walla Walla	65	0.80
King	2,337	28.75	Whatcom	216	2.66
Kitsap	225	2.77	Whitman	0	0.00
Kittitas	5	0.06	Yakima	111	1.37
Klickitat	93	1.14			

3. PARTICIPANT TRAINING

This section of the Report discusses the training received by Training Benefits Program participants.

Most of the participants (85.3 percent) attended a community or technical college. A much smaller number attended a four-year college or university (7.6 percent), or at a private career school (6.5 percent). The Program statutes preclude participation in “any course of education primarily intended to meet the requirements of a baccalaureate or higher degree, unless the training meets specific requirements for certification, licensing, or for specific skills necessary for the occupation.”

Table V shows the programs of study chosen by participants. By far, the largest number of participants (25.9 percent) attended an information technology program.

Table V
Training Programs

Program Category	Number of Participants	Percent of Participants
Information Technology	1,142	25.9%
Administrative Support	412	9.3
Computer Maintenance Tech	212	4.8
Managerial and Managerial Support	181	4.1
Electrical Equipment Repair	158	3.6
Industrial Technology (except electronics tech)	144	3.3
Accounting	139	3.2
Electronics Technology	131	3.0
Auto Diesel	129	2.9
Welding	119	2.7
Marketing and Sales	106	2.4
New Chance	105	2.4
Other Health Tech	99	2.2
Protective Services	90	2.0
Transportation Operators	87	2.0
Precision, Production, Crafts	86	1.9
Machinist	84	1.9
Construction Trades	83	1.9
Drafting	78	1.8
Airframe/Power Plant	70	1.6
Basic Skills	70	1.6
Other Technical	67	1.5
Medical Assisting	57	1.3
Associate Degree Nurse	56	1.3
Other Health Services	56	1.3
Commercial & Graphics Art	55	1.2
Pharmacy Assisting	47	1.1
Cosmetology	45	1.0
General Studies	43	1.0
Culinary Arts	39	0.9
Social Services	38	0.9
Engineering Technology	35	0.8
Legal Assistant	32	0.7
Early Childhood Ed	27	0.6
Agriculture, Forestry and Fisheries	27	0.6
Teaching/Library Assistant	24	0.5
Practical Nurse	23	0.5
Other Services	12	0.3
Engineering	4	0.1

Table VI shows the types of skills that participants said they were trained in, according to the survey. About three-quarters said they received job specific training (e.g., learned how to be a carpenter) and training in computer skills. The Table also shows the percentage of participants who said the training improved their skills.

Table VI
Training and Types of Skills

Type of Skills	Received Training	Training Improved Skills A Lot	Training Improved Skills A Little	Did Not Improve Skills
Computer skills	78.8%	72.0%	22.7%	5.3%
Specific job skills	72.9%	75.5%	21.7%	2.7%
Teamwork skills	56.4%	36.6%	55.5%	7.9%
Math skills	54.8%	54.5%	40.8%	4.7%
Critical thinking or problem solving	53.1%	47.2%	49.4%	3.4%
Writing skills	53.0%	51.4%	45.4%	3.3%
Diversity (working with different people)	42.3%	39.1%	52.3%	8.6%
Work habits	30.4%	36.2%	51.9%	11.9%
English speaking skills	24.4%	42.8%	49.1%	8.1%
Operation of machinery	19.8%	69.4%	29.4%	1.2%
Reading skills	19.1%	41.1%	52.6%	6.3%

Most program participants (69 percent) completed their training program. The survey asked the participants that did not complete their training the reasons why. They could give more than one reason. The most common reason was the need to find a job rather than continue school, closely followed by (and probably related to) the ending of unemployment benefits.

Table VII
Reasons for Not Completing Training

Reason for Noncompletion	Percentage of Non-Completers Stating the Reason
Needed to find a job rather than continue school	51.5%
Unemployment insurance benefits ended	46.5
Found a job that met needs	43.4
Did not have enough money for tuition and fees	32.4
Had other family responsibilities	24.1
Training was of little benefit	19.3
Classes needed were not available	17.8
Returned to former job	17.2
Health Reasons	10.9
Did not have adequate child care arrangements	4.6

There was very little difference in the demographics of individuals that completed and those that did not complete their training. There were no significant differences between the two in the industries they were laid-off from. Individuals that did not complete their training were slightly more likely to be people of color (by 2.9 percentage points). Noncompleters were less likely to have a Bachelors degree prior to the Program.

4. PARTICIPANT PRE- AND POST-PROGRAM EMPLOYMENT AND WAGES

This section analyzes the employment and wage history of the Program participants. During the third quarter after leaving the Program, 71.8 percent of the participants had employment reported in the records of the ESDs in Washington, Oregon, Idaho, Montana, or Alaska.¹ Also during the third post-program quarter, 19.3 percent of the former participants were found in the administrative records of a Washington public college or university, or private career school. Some individuals were both employed and in school. A total of 80.5 percent were either employed or in school. Among individuals employed during the third post-program quarter, the median annual earnings was \$29,228, and the median hourly wage was \$15.71.

Table VIII
Employment and Wages Third Post-Program Quarter

Percentage with Employment Reported to Employment Security	71.8%
Percentage Still Attending School	19.3
Percentage either Reporting Employment or Attending School	80.5
Median earnings of those working and not in school	\$29,228
Median Quarterly Hours Worked, among those Working (there are 520 hours in a quarter, at 40 hours per week)	480 hours
Median Hourly Wage among those working	\$15.71

Dislocated workers usually make substantially less money after reemployment than they did before losing their job. The earnings loss is typically greater the longer a worker had been with their previous employer. For example, earlier research revealed that workers who were with their previous employer for between 3 and 6 years obtain new employment that pays an average of 80 percent of the amount they had earned before being dislocated.²

Table VIII shows the annual earnings and hourly wage replacement rates for participants in the Training Benefits Program. During the third post-program quarter, Program participants made an average of about 90 percent of their predislocation earnings and wages.

¹ Because these records do not include self-employment or employment in 45 other states, they understate actual employment.

² Westat, Inc., 1997, for the Washington State Workforce Training and Education Coordinating Board.

Table IX
Earnings and Wage Replacement

	Mean Replacement Rate among those working
Annual Earnings, among those working	92.6%
Hourly Wage, among those working	91.4%

Table X shows the industry of employment after training, based on the third quarter after training. The Table also shows the participants' industry of employment prior to the Program. As one can see, there was a pre-post shift away from manufacturing and towards employment in the service sector.

Table X
Industry of Employment, Pre- and Post-Program

Industry	Post-Program Number of Participants	Post-Program Percentage of All Participants	Pre-Program Percentage of All Participants
Agriculture	0	.0%	.5%
Forestry	0	.0	.1
Fishing	0	.0	.2
Mining	4	.1	.1
Construction	140	4.2	1.5
General Contractors	29	.9	.4
Heavy Construction	16	.5	.3
Trades	95	2.9	.8
Manufacturing	1,350	40.5	76.4
Apparel	0	.0	.6
Logging, Wood, Paper	58	1.7	8.9
Plastics	3	.1	.9
Aluminum	6	.2	3.7
Computers	2	.1	.8
Semiconductors	5	.2	.8
Electric capacitors	0	.0	1.1
Aircraft	1,050	31.5	46.7
Instruments	5	.2	1.6
Sporting Goods	7	.2	1.1
Other Manufacturing	214	6.4	10.2
Transportation, Communications, Utilities	194	5.8	3.4
Wholesale Trade	1,25	3.8	3.2
Retail Trade	310	9.3	3.3
Finance, Insurance, Real Estate	111	3.3	1.6

Industry	Post-Program Number of Participants	Post-Program Percentage of All Participants	Pre-Program Percentage of All Participants
Services	956	28.7	8.5
Temporary Help	236	7.1	1.7
Education	107	3.2	1.2
Engineering, Research, Management	63	1.9	.6
Medical Services	189	5.7	.6
Other Services	361	10.8	4.5
Public Administration	140	4.2	1.2

As mentioned earlier, about half of the program participants were laid-off from an aircraft manufacturer. It may be of interest, therefore, to examine what industries these participants were employed in after the Program. This is shown in Table XI.

Table XI
Post-Program Employment of Aircraft Workers

Industry	Number of Participants	Percent of Employed Participants
Construction	77	3.3%
Aircraft Manufacturing	1,012	43.7
Other Manufacturing	146	6.3
Transportation, Communication, Utilities	123	5.3
Wholesale Trade	78	3.4
Retail Trade	179	7.7
Finance, Insurance, Real Estate	58	2.5
Services	567	24.5
Business Services	252	10.9
Health Services	97	4.2
Education	58	2.5
Engineering, Research	39	1.7
Other Services	121	5.2
Public Administration	76	3.3

Among Program participants who were laid-off by an aircraft manufacturer, a high percentage returned to their previous employer--40.2 percent returned to their former employer. This accounts for 96 percent of all the Program participants who returned to their previous employer. Outside of the aircraft industry, returning to one's former employer was rare. Less than one percent of the Program participants from other than aircraft manufacturing returned to their former employers.

In order to examine how many participants changed occupations, the survey asked Program participants what their occupation was before and after training. Based on the survey responses, 80 percent of the participants who were employed after the program were in a new occupation. The Appendix presents before and after occupations listed by the survey respondents.

The most common occupations prior to Program participation were mechanic (17.7 percent), followed by inspector and assembler (both at 7.7 percent). The most common occupations after the Program were technician (10.9 percent) and mechanic (10.4 percent). The 20 percent of survey respondents that indicated they were in the same occupation before and after the Program, could have been in a new job within the same occupation, perhaps at a higher level.

Among those not working after the program, 60.5 percent indicated that they were looking for work. The most common reasons they cited for not being able to find a job was a lack of job openings in their line of work or geographic area (see Table XII).

Table XII
Reasons for not Finding Work

Reason Given for not Able to Find Work	Percentage of Those Reporting They Were not Able to Find Work
Few jobs available in my line of work	79.9%
Few jobs available in my geographic area	73.3
Did not have the necessary skills for available jobs	52.0
Available jobs did not pay enough	34.4
Did not like the available jobs	15.9
Health problems made it difficult to work	8.0

Almost 40 percent (39.3 percent) of those not working said they were not looking for work. The most common reasons they cited for not looking for a job were that they were in school or had health problems (see Table XIII).

Table XIII
Reasons for not Looking for Work

Reason Given for not Looking for Work	Percentage of Those not Looking for Work
Attending school or training	39.3%
Health problems	30.0
Doing other activities	12.2
Retired or doing volunteer work	10.5
Caring for children	4.6
Available jobs do not pay enough	1.7
Few jobs available in line of work	1.7

5. PARTICIPANT SATISFACTION

Overall, Program participants were satisfied with their training. Fifty percent were very satisfied, 33.3 percent were somewhat satisfied, and 16.6 percent were not satisfied (see Table XIV). The aspects of their training that participants were most satisfied with were class times and locations. The aspect that participants were least satisfied with was advice on selecting a

training program. Over 40 percent (43.4 percent) said that their training objectives were definitely met; 43 percent said their training objectives were partially met; and 13.6 percent said their training objectives were not met at all.

Table XIV
Satisfaction with Training

Aspect of Training	Very Satisfied	Somewhat Satisfied	Not Satisfied
Advice on selecting a training program	35.2%	40.7%	24.1%
Equipment used in training	46.3	38.9	14.8
Choice of occupations for which training available	43.6	39.4	17.0
Class times	62.2	30.4	7.5
Class location	68.2	27.4	4.4
Length of training program	51.0	33.7	15.3
Quality of teaching	53.0	29.8	17.2
Usefulness of training to career	48.1	31.0	20.9
Cost of the training program	53.1	33.1	13.7
Overall satisfaction with training program	50.1	33.3	16.6

Program participants were also mostly satisfied with the support services available during the Program. The majority of participants reported needing financial assistance and information about job openings (see Table XV). A majority of participants that needed either service, reported that they received it and that it met their needs, although more participants left the Program with an unmet need for information about job openings than for any other support service. An unmet need can be due either to a participant not receiving the service or receiving a service that did not meet their need.

Table XV
Satisfaction with Support Services

Support Service	Percentage of Participants Needing Service	Percentage of Participants Leaving Program with Need not Met
Financial Assistance	64.1%	23.5%
Information on Job Openings	54.7	28.1
Assistance developing an individual training plan	47.3	13.4
Career or job counseling	36.7	15.5
Assistance with resume writing	36.5	8.7
Assistance with job search	28.2	13.0
Assistance with job interviewing	26.1	8.1
Transportation assistance	12.2	3.6
Child care assistance	10.6	7.1
Access to services for the disabled	3.6	0.7

6. ADMINISTRATIVE COSTS

ESD estimates that the annual administrative cost of the Program is \$1,489,154. The administrative activities and their costs are shown below. In addition to the direct cost categories shown, the total amount includes \$355,485 per year for indirect costs such as rents, utilities, and equipment.

Employment Security Department Field Activities (\$515,323; 10 FTEs)

- Distributing Program packets and explaining the Training Benefits Program including eligibility criteria, along with Commissioner Approved Training, TEUC (a federally funded extended benefits program), and Extended Benefits.
- Assisting with the completion of Training Benefits applications, explaining and gathering of labor market information data to support or not support various training programs.
- Coordinating with the Adjudication Centers by faxing, mailing or calling concerning the status of applications and advising the Adjudicators of changes to a claimant's training status.
- Providing updates to the Workforce Development Council Qualifying List of demand occupations.

Labor Market and Economic Analysis Activities (\$71,253; 1 FTE)

- Analyzing demand occupations and cooperating with local Workforce Development Councils to create Qualifying List of demand occupations.
- Updating Qualifying List on an annual basis, with user alerts as needed when occupational demand is impacted by a major shift in the economy.

Unemployment Insurance Division Activities (\$412,093; 7 FTEs; and \$135,000 for tax collection shared cost)

- Managing Unemployment Insurance Program, including final approval for Training Benefits and Commissioner Approved Training.
- Obligating and deobligating Training Benefits dollars.
- Filing and adjudicating claims for unemployment insurance benefit entitlement.
- Advising the Office of Administrative Hearings about the process regarding the qualifying lists.
- Assessing and collecting employer taxes for the UI trust fund.

7. DURATION AND AMOUNT OF TRAINING BENEFITS

The duration of Training Benefits has been affected by the availability of Extended Benefits (EB), because of the provisions in SHB 3077 reducing Training Benefits by the amount of extended benefits.

Beginning in January 2002, Washington State's unemployment rate was at a level that caused EB to be paid. Further, in March 2002, President Bush signed the "Economic Stimulus" bill that created a federally funded extended benefits program (TEUC) around the country. The EB program paid unemployed individuals up to an additional 13 weeks of benefits following the exhaustion of regular benefits. The TEUC program also paid up to an additional 13 weeks of

benefits, and in states where the insured unemployment rate was greater than 4 percent or the state was in a period of extended benefits, paid another extension of up to 13 weeks, for a total of up to 26 weeks under the TEUC program. Both the EB and TEUC programs are considered extended benefits programs and would be paid to claimants prior to the payment of TB.

Both the EB and the TEUC programs caused shifting of payments to TB claimants from the TB entitlement to one of the two extension entitlements. As a note, the EB entitlement program is a cost-shared program between the individual state UI Trust Funds and the Federal government and the TEUC program is a fully 100 percent federally financed program. Therefore, the number of weeks of TB entitlement payments has declined since the inception of the EB and TEUC program entitlements. The following table indicates the total amount of payments under each of the entitlement programs, as well as the average number of weeks paid per entitlement per claimant.

Table XVI
Duration and Amount of Benefits

	EB	TEUC	TB	UI	Totals
Total Dollars Paid	\$802,730	\$15,069,554	\$53,517,710	\$84,335,020	\$153,004,460
Total Number of Weeks Paid	2,184	40,006	144,044	226,952	413,186
Average Number of Weeks Paid	4.9	17.2	27.3	28.3	77.8

Because the information is only for claimants paid through June 30, 2002, some of the data may be inconclusive. While there was \$53.7 million paid to claimants under the TB entitlement, the TEUC and EB entitlements relieved some of the direct burden on the UI Trust Fund, with almost an additional \$16 million paid under those entitlements. In these two entitlements, almost \$15.5 million was paid for by the federal government, instead of out of the state's UI fund. When these two entitlements end, the TEUC is currently scheduled to end December 28, 2002, there will be more activity against the TB entitlement.

As an additional note to the above chart, the length of time an individual is drawing unemployment is significantly higher than the average duration for claimants not in the TB program. For the 12 months ending June 30, 2002, claimants were averaging 18.5 weeks on unemployment, compared to the 77.8 weeks for the individuals in the TB program. This can be explained by the fact that the individuals in the TB program are being retrained in new demand occupations, often times requiring several months to complete.

In addition to tracking the dollars paid to individuals, ESD was authorized to obligate no more than \$80 million through the June 30, 2002. Table XVII reflects the information showing the type of dislocation, number of individuals enrolled in the TB program, average obligation amount, average number of weeks obligated, total amount obligated, total amount de-obligated, and the net amount obligated.

Table XVII
Training Benefits Duration and Amounts by Industry

Dislocation	Number	Avg. Obligation	Wks Obligated	Avg. WBA	Total Obligation	Total De-obligation	Net Obligation
Aerospace	4,073	\$14,962	37.8	\$397	\$60,939,479	\$20,948,508	\$39,990,971
Finfishing	32	\$14,380	38.7	\$388	\$460,171	\$79,132	\$381,039
Other	3,166	\$7,621	21.8	\$356	\$24,129,168	\$3,356,939	\$20,772,229
Timber	995	\$15,557	42.5	\$371	\$15,463,719	\$2,698,683	\$12,765,036
Totals	8,266	\$12,219	32.2	\$378	\$100,992,537	\$27,083,262	\$73,909,275

As can be noted in the totals, the net obligation amount through June 30, 2002 was \$73.9 million, which allowed \$6.1 million to be carried forward into the period July 1, 2002 through June 30, 2003. Section 7 of SHB 3077 allows for any funds not obligated in one fiscal year to be carried forward to the next fiscal year.

8. IMPACT ON UNEMPLOYMENT COMPENSATION TRUST FUND

When the legislature passed SHB 3077, the benefits paid to individuals were not charged against the experience rating account of the employer. They were non-charged, and thus considered a “socialized cost” to the Unemployment Insurance (UI) system as a whole. As noted above, \$53.7 million was paid to individuals enrolled in the TB program. These costs, because they were socialized, did not adversely impact the experience rating accounts of the employers having former employees enrolled in the program.

When looked at as a whole, the costs incurred by the TB program did not impact the tax schedules in place for the last two years. The first year that there would have been an impact would have been calendar year 2002. Because of the balance of the UI Trust Fund at the end of September, 2001 (\$1.9 billion), Tax Schedule (A) remained in place. The UI Trust Fund balance at the end of September, 2002 was \$1.44 billion, which caused the tax schedule for calendar year 2003 to shift to Schedule (B). The decrease in the balance of the UI Trust Fund was caused by the current recession that is still ongoing rather than the amount of benefits paid this last year to individuals enrolled in the TB program. During the period July 1, 2001 through June 30, 2002, \$7.9 million was paid in benefits to individuals enrolled in the TB program.

For individual employers having former employees in the TB program, the impact is more difficult to assess. Generally speaking, individual employers having non-charging of benefits may not change tax rate classes as much as employers who do not have these types of charges.

Table XVIII shows the breakdown of payments made and the last employer industry of claimants enrolled in the TB program.

Table XVIII
Training Benefits Paid per Industry

Industry	PY 00	PY 01	PY 02	Total Payments
Agriculture	\$9,358	\$61,792	\$34,175	\$105,325
Forestry	\$1,765	\$6,485	\$30,170	\$38,420
Fishing	\$-	\$75,491	\$87,500	\$162,991
Mining	\$12,300	\$26,157	\$57,463	\$95,920
Gen Construction	\$8,413	\$50,831	\$21,551	\$80,795
Heavy Construction	\$18,421	\$44,834	\$49,305	\$112,560
Spec Construction	\$25,133	\$109,287	\$41,973	\$176,393
Manufacturing	\$1,021,725	\$3,533,073	\$2,256,268	\$6,811,066
Mfg. Food	\$130,144	\$322,566	\$267,306	\$720,016
Timber	\$142,686	\$1,498,988	\$1,299,004	\$2,940,678
Aircraft Mfg	\$10,339,200	\$23,794,626	\$1,215,786	\$35,349,612
Tran/Comm./Utilities	\$68,909	\$471,176	\$300,792	\$840,877
Wholesale Durables	\$72,868	\$326,543	\$216,405	\$615,816
Wholesale Non Durables	\$83,163	\$448,608	\$777,547	\$1,309,318
Retail	\$92,779	\$599,504	\$306,683	\$998,966
Fin/Ins/RE	\$124,238	\$735,586	\$416,723	\$1,276,547
Computer Services	\$111,948	\$467,156	\$432,702	\$1,011,806
Business Services	\$44,109	\$167,970	\$59,130	\$271,209
General Services	\$87,123	\$265,043	\$160,076	\$512,242
Govt. Services	\$7,191	\$66,273	\$13,689	\$87,153
Totals	\$12,401,473	\$33,071,989	\$8,044,248	\$53,517,710

Employers in the aircraft, timber, and manufacturing sectors in the state have received in excess of \$45 million in non-charging due to the payment of TB benefits to claimants. Out of 1,067 employers who had former employees in the TB program, 5.5 percent of the employers were from aircraft manufacturing, 8 percent were from the timber Industry, and 19 percent were from other manufacturing sectors.

For the most part, employers having former employees in the TB program did go to higher rate classes in calendar year 2002. The reason for this is that the employers are, for the most part, in dislocated industries and are laying off individuals who do not enter the TB program, but merely are drawing regular UI benefits. Also, the individuals enrolled in the TB program have benefits charged back to their former employer until they are drawing the TB program benefits. Some of these employers did not go to even higher rate classes than they would have because of the non-charging of the TB benefits.

Overall the impact on the UI Trust Fund was, while substantial in terms of payments, relatively minimal in terms of the entire UI Trust Fund balance. The limits the legislature placed upon the amount of money available for obligations in each program year (\$20 million for program year 2002 and beyond) should work to avoid placing an undue stress on the UI Trust Fund.

9. DISQUALIFICATION AND REQUALIFICATION

Sections 12 through 14 of SHB 3077 revised the waiting time period and earnings amount required to purge an unemployment insurance claim disqualified for a claimant voluntarily leaving work without good cause, misconduct suspensions and discharges, or failure to apply, accept, and return to suitable work, from 5 to 7 calendar weeks, and from 5 to 7 times his or her weekly benefit amount, respectively.

This section of the report analyzes whether or not this change had a notable impact on the percentage of claimants requalifying within 210 days from the disqualification date for UI benefits by purging their record. Additionally, this section investigates whether there were notable disparities by gender or race/ethnicity in the number of claimants requalifying. The analysis is based on all claimants disqualified for reasons covered in Section 12 through 14 of SHB 3077 during identical six-month timeframes in 2000 and 2001 (4/1/00-9/30/00 and 4/1/01-9/30/01), before and after the Act came into effect.

Table XIX details the number of claimants who were disqualified and who requalified within 210 days, by disqualification reason, pre- and post-SHB 3077. As shown in Table XVIII, there was a slight overall decrease in the percentage of those requalifying within 210 days since the implementation of SHB 3077.

Table XIX
Number and Percentage of Claimants Requalifying for UI Benefits within 210 days
by Purging File, Pre- and Post-SHB 3077

	Pre-SHB 3077 (5 by 5s)			Post-SHB 3077 (7 by 7s)		
	Disqual	ReQual	%ReQual	Disqual	ReQual	%ReQual
Voluntary Quit	19,852	1,425	7.18%	24,410	1,639	6.71%
Misconduct	18,074	575	3.18%	22,363	695	3.11%
Apply/Accept	818	29	3.55%	1,310	32	2.44%
TOTALS	38,744	2,029	5.24%	48,083	2,366	4.92%

Table XX details the percentage of change between the number of claimants requalifying before and after the implementation of SHB 3077, broken down by gender and race/ethnicity.

Table XX
Change in the Percent of Claimants Re-qualifying By Gender and Race

White	0.32	API	-0.08
<i>Male</i>	-0.73	<i>Male</i>	0.08
<i>Female</i>	0.06	<i>Female</i>	-0.23
Hispanic	-0.85	AI/AN	-0.44
<i>Male</i>	-1.25	<i>Male</i>	1.05
<i>Female</i>	-0.29	<i>Female</i>	-1.71
Black	0.02	OTH	-0.05
<i>Male</i>	-0.07	<i>Male</i>	-0.99
<i>Female</i>	0.10	<i>Female</i>	0.90
Total	-0.32		
<i>Male</i>	-0.68		
<i>Female</i>	0.02		

API is Asian-Pacific Islander, AI/AN is American Indian/Alaskan Native, and OTH is Other or did not indicate ethnicity.

As shown in the tables:

- ❑ For all claimants, there was a decrease of 0.32 in the percent requalifying within 210 days.
- ❑ For women, there was a slight increase of 0.02 in the percent requalifying.
- ❑ For men, there was a decrease of 0.68 in the percent requalifying.
- ❑ Hispanics experienced the largest effect of any racial/ethnic group, a decrease of 0.85 in the percent re-qualifying. Hispanic women had a 0.29 decrease in the percent re-qualifying, while men had a 1.25 decrease.
- ❑ African-Americans had a slight increase of 0.02 in the percent requalifying within 210 days; female African-Americans had an increase of 0.10.
- ❑ Among Asian and Pacific Islanders there was a 0.08 decrease in the percent re-qualifying. Males had an increase of 0.08 in the percent requalifying, and women a decrease of 0.23.
- ❑ Whites experienced a decrease of 0.32 in the percent re-qualifying. Men had a decrease of 0.73 and White women had an increase of 0.06 in the percent requalifying.
- ❑ American Indians and Alaska Natives experienced a 0.44 increase in the percent of claimants re-qualifying. Females experienced a decrease of 1.71 and males had an increase of 1.05 in the percent requalifying.
- ❑ For other populations, there was a slight decrease in the percent of claimants re-qualifying, 0.05. Other men had a decrease of 0.99 and other women had an increase of 0.90 in the percent requalifying.

Overall, the greatest negative impact was on American Indian women, and on Hispanic and white men.

Table XXI offers a more in-depth analysis of the effects of SHB 3077 by gender and race/ethnicity. Due to low claimant numbers, the category of failure to apply, accept, and return to suitable work is not separated out, but is included in the summary section of the table.

Table XXI
Number and Percentage of Claimants Requalifying by Gender, Race/Ethnicity, and Reason for Separation from Employment

Table Three. SHB 3077 Analysis																							
Voluntarily leaving work without good cause						Misconduct suspensions and discharges						Combined*											
Pre-SHB 3077						Post-SHB 3077						Pre-SHB 3077						Post-SHB 3077					
	# Disq	% ReQual	# Disq	% ReQual	# ReQual	# Disq	% Re-Qual	# Disq	% Re-Qual	# Re-Qual	% Re-Qual	# Disq	% Re-Qual	# Disq	% Re-Qual	# Re-Qual	% Re-Qual						
White	14,966	1,011	6.76%	18,069	1,125	6.23%	14,147	398	2.81%	17,104	471	2.75%	29,691	1,423	4.79%	36,028	1,613	4.48%					
Male	7136	621	8.70%	8,892	663	7.46%	7,645	276	3.61%	9,448	323	3.42%	15,059	907	6.02%	18,780	994	5.29%					
Female	7,830	390	4.98%	9,177	462	5.03%	6,502	122	1.88%	7,656	148	1.93%	14,632	516	3.53%	17,248	619	3.59%					
Hispanic	1,720	221	12.85%	2,058	252	12.24%	1,008	74	7.34%	1,326	90	6.79%	2,806	303	10.80%	3,497	348	9.95%					
Male	919	149	16.21%	1,075	151	14.05%	600	48	8.00%	801	67	8.36%	1,569	201	12.81%	1,938	224	11.56%					
Female	801	72	8.99%	983	101	10.27%	408	26	6.37%	525	23	4.38%	1,237	102	8.25%	1,559	124	7.95%					
Black	1,161	78	6.78%	1,392	97	6.97%	1,332	47	3.53%	1,616	54	3.34%	2,526	127	5.03%	3,091	156	5.05%					
Male	573	49	8.55%	730	59	8.08%	810	34	4.20%	970	41	4.23%	1,404	84	5.98%	1,743	103	5.91%					
Female	578	29	5.02%	662	38	5.74%	522	13	2.49%	646	13	2.01%	1,122	43	3.83%	1,348	53	3.93%					
API*	846	48	5.67%	1,355	71	5.24%	599	16	2.67%	905	31	3.43%	1,521	67	4.40%	2,429	105	4.32%					
Male	390	31	7.95%	638	44	6.90%	340	8	2.35%	506	20	3.95%	766	41	5.35%	1,214	66	5.44%					
Female	456	17	3.73%	717	27	3.77%	259	8	3.09%	399	11	2.76%	755	26	3.44%	1,215	39	3.21%					
AI/AN	473	28	5.92%	577	40	6.93%	363	18	4.96%	500	17	3.40%	843	48	5.69%	1,103	58	5.26%					
Male	207	13	6.28%	237	21	8.86%	193	9	4.66%	245	11	4.49%	402	22	5.47%	506	33	6.52%					
Female	266	15	5.64%	340	19	5.59%	170	9	5.29%	255	6	2.35%	441	26	5.90%	597	25	4.19%					
OTH	696	39	5.60%	959	54	5.63%	625	22	3.52%	912	32	3.51%	1,357	61	4.50%	1,935	86	4.44%					
Male	353	27	7.65%	524	35	6.68%	346	17	4.91%	537	21	3.91%	721	44	6.10%	1,095	56	5.11%					
Female	343	12	3.50%	435	19	4.37%	279	5	1.79%	375	11	2.93%	636	17	2.67%	840	30	3.57%					
TOTAL	19,852	1,425	7.18%	24,410	1,639	6.71%	18,074	575	3.18%	22,363	695	3.11%	38,744	2,029	5.24%	48,083	2,366	4.92%					
Male	9,578	890	9.29%	12,096	973	8.04%	9,934	392	3.95%	12,507	483	3.86%	19,921	1,299	6.52%	25,276	1,476	5.84%					
Female	10,274	535	5.21%	12,314	666	5.41%	8,140	183	2.25%	9,856	212	2.15%	18,823	730	3.88%	22,807	890	3.90%					
* - Includes disqualification for failure to apply, accept, and/or return to suitable work.																							

API is Asian-Pacific Islander, AI/AN is American Indian/Alaskan Native, and OTH is Other or did not indicate ethnicity.

Appendix

Occupations Before and After Program Participation (Based on Participant Survey)

Occupation	Percentage of Participants Employed in Occupation Before	Percentage of Participants Employed in Occupation After
Accountant	.45	.90
Advisor	.45	
Analyst	1.40	1.40
Assembler	7.7	5.4
Assistant	1.4	
Boat Builder	.5	
Bookkeeper		.5
Business Owner	.5	
Butcher		.5
Carpenter	.9	
Clerk	1.8	1.4
Coordinator	2.3	1.4
Cosmetology		.5
Customer Service	.9	3.6
Dental	.5	
Dental Assistant		.9
Designer	2.3	1.8
Director	.5	.5
Driver		1.8
Electrical	.5	.5
Electrician	2.7	1.4
Engineer	2.7	2.7
Facilitator	.5	
Fisherman	1.4	
Foundry Worker	.5	
Hairdresser		.5
Human Resources	.5	
IT Pro	3.3	9.1
Inspector	7.7	1.4
Installer	2.7	
Instructor	.5	
Janitor		1.4
Laborer	1.4	2.3
Lumber	6.8	1.4
Machinist	5.4	1.8
Manager	2.3	3.2

Occupation	Percentage of Participants Employed in Occupation Before	Percentage of Participants Employed in Occupation After
Marketing	.5	
Material Handler	3.2	.9
Mechanic	17.7	10.4
Medical Assistant		1.4
Miner	.5	
Office Assistant		10.0
Operator	3.2	3.2
Painter		.5
Paralegal		.5
Pharmacy Assistant	.5	1.8
Planner		.9
Police		.9
Postal Dispatch E	.9	1.4
Processor		.9
Purchase	.5	
Real Estate Agent	.5	.9
Sales Retail	2.3	4.5
Self Employed		.9
Sewing	.9	
Supervisor	1.8	.5
Teacher	.5	.9
Technician	4.5	10.9
Tester	1.4	.5
Therapist		.5
Tutor		.5
Warehouse	.9	.9
Welder	.9	.9

SELECTED ESTIMATES, REPORTS AND OTHER INFORMATION

Table 17

Median Household Income Estimates by County: 1989 to 2001 and Projection for 2002

In current dollars; series revised 1990 forward. The estimation relies on both 1990 and 2000 census data. These estimates are based on past relationships between available indicator data and median household income. The estimates shown may differ from other median household income data developed from the Office of Financial Management's State Population Survey, Bureau of the Census surveys, or other sources. Survey data, which are subject to sampling variability and bias, are not necessarily more correct than the estimate data.

	Census 1989	1990	1991	1992	1993	Estimate 1994	1995	1996	1997	1998	Census 1999	Estimate 2000	Prelim. Estimate 2001*	Projection 2002**
Washington	31,183	33,449	34,423	35,943	36,716	37,947	39,041	40,593	42,534	44,519	45,776	48,023	48,835	49,898
Adams	24,604	28,072	27,105	28,462	31,427	29,500	29,495	31,782	32,021	34,168	33,888	35,808	35,891	37,104
Asotin	22,897	24,281	25,153	26,405	27,555	28,061	28,320	29,816	31,565	32,467	33,524	34,880	36,365	37,486
Benton	32,593	35,016	37,126	39,428	41,352	43,075	42,878	43,183	44,444	45,959	47,044	49,155	48,893	49,706
Chelan	24,312	25,801	27,541	28,784	30,164	31,401	32,013	33,792	35,529	36,955	37,316	38,949	40,319	41,470
Clallam	25,434	27,375	27,874	28,613	29,114	29,758	30,905	32,247	34,528	35,772	36,449	37,879	38,158	39,514
Clark	31,800	33,776	34,158	35,540	36,908	38,396	39,954	42,342	45,053	46,326	48,376	51,112	50,940	51,274
Columbia	22,418	24,988	24,218	26,139	28,014	26,266	29,470	33,112	30,434	32,817	33,500	37,180	38,740	39,871
Cowlitz	27,866	29,759	31,059	31,300	32,022	33,333	34,207	35,554	36,776	38,250	39,797	41,528	40,546	41,632
Douglas	27,054	28,638	29,499	30,927	31,960	32,650	33,205	35,618	36,833	37,723	38,464	40,500	39,406	40,364
Ferry	25,170	26,999	26,815	27,076	26,978	28,733	28,335	29,275	29,959	30,180	30,388	31,258	30,356	31,148
Franklin	24,604	26,426	26,587	28,451	30,984	31,729	32,808	35,050	36,003	37,558	38,991	40,794	40,976	41,985
Garfield	25,156	26,367	27,088	28,546	30,128	26,391	29,625	34,321	33,417	36,252	33,398	38,495	38,418	39,305
Grant	22,372	24,102	25,372	27,115	29,222	30,034	30,492	32,869	34,292	35,969	35,276	37,688	37,165	38,405
Grays Harbor	23,042	24,052	24,677	26,054	26,815	27,170	28,557	29,674	31,323	33,061	34,160	36,031	36,403	37,619
Island	29,161	30,747	31,923	32,740	34,169	35,597	36,748	39,192	41,578	43,672	45,513	47,451	50,128	51,045
Jefferson	25,197	27,475	28,606	29,323	29,982	30,792	31,215	32,678	34,583	36,819	37,869	39,242	38,778	39,759
King	36,179	38,651	39,969	41,866	42,375	43,916	45,528	46,885	48,698	51,397	53,157	56,360	58,164	59,540
Kitsap	32,043	36,556	37,816	38,624	39,021	40,074	40,393	41,899	44,032	45,713	46,840	48,445	45,574	46,592
Kittitas	20,489	21,929	22,948	23,809	25,041	25,964	27,037	28,500	29,755	31,423	32,546	33,940	33,331	33,795
Klickitat	23,012	24,638	24,461	25,346	26,955	28,505	29,522	32,498	33,290	34,036	34,267	35,726	36,068	37,074
Lewis	24,410	26,066	26,368	27,582	28,331	29,616	30,526	31,969	33,490	34,167	35,511	36,591	36,871	37,793
Lincoln	24,617	26,567	26,333	27,868	29,586	28,258	31,385	34,968	35,659	35,727	35,255	38,596	39,547	40,752
Mason	26,304	27,983	28,667	29,814	30,650	31,468	32,739	34,572	36,378	38,415	39,586	40,939	41,260	42,292
Okanogan	20,303	20,856	22,495	24,001	25,180	25,983	25,496	27,410	28,160	29,494	29,726	31,083	33,100	33,959
Pacific	20,029	21,046	21,602	22,399	23,159	24,117	25,606	27,182	28,898	30,400	31,209	32,981	32,400	33,333
Pend Oreille	20,808	22,813	23,210	24,559	25,861	26,839	27,906	29,177	30,784	31,208	31,677	33,030	31,802	32,658
Pierce	30,412	33,193	33,629	35,066	36,175	37,233	38,353	39,993	42,661	44,338	45,204	46,653	46,951	47,730
San Juan	31,278	32,412	33,393	34,991	36,139	38,526	37,727	39,046	41,277	43,452	43,491	44,413	48,982	49,797
Skagit	28,389	30,192	31,057	32,100	32,845	34,214	35,362	36,964	38,722	40,830	42,381	44,158	44,774	45,870
Skamania	28,778	31,680	31,507	32,328	33,083	34,121	34,403	36,927	37,853	38,662	39,317	41,798	44,722	45,929
Snohomish	36,847	38,865	39,891	41,810	42,663	43,973	44,985	47,238	50,488	52,223	53,060	54,493	55,200	56,158
Spokane	25,769	27,358	28,376	29,626	30,532	31,701	32,332	33,633	35,080	36,510	37,308	39,453	40,615	41,636
Stevens	24,440	25,733	26,533	27,550	28,716	29,735	29,702	30,626	32,427	33,851	34,673	35,951	36,727	37,575
Thurston	30,976	33,570	35,133	36,675	37,766	39,016	39,976	41,507	43,778	45,817	46,975	48,388	47,998	48,959
Wahkiakum	26,969	28,717	28,588	29,818	31,009	31,422	32,924	34,162	36,670	38,814	39,444	40,382	41,291	42,406
Walla														
Walla	24,414	25,846	26,208	27,612	28,871	29,994	30,861	32,959	34,190	35,710	35,900	38,079	39,330	40,664
Whatcom	28,367	31,136	31,970	32,610	32,932	33,991	34,777	36,408	37,565	39,127	40,005	41,134	41,400	42,362
Whitman	21,674	22,946	23,683	24,293	25,080	24,961	26,148	27,846	28,594	29,018	28,584	31,991	32,347	33,152
Yakima	23,612	25,508	25,947	27,200	28,185	29,313	29,883	31,623	33,129	34,757	34,828	36,723	36,961	38,123

Note: 1989 and 1999 median income numbers are derived from the 1990 and 2000 U.S. Census of Population and Housing, respectively.

Estimates of median household money income for 1990 through 1998 are based on 1989 and 1999 federal census money income data and 1989 through 1999 Bureau of Economic Analysis (BEA) county level per capita income data. *Preliminary estimates for 2001 are based on the 2000-01 payroll data compiled by the state Employment Security Department and the state total personal income data published by BEA. **Projection for the year 2002 is based mainly on the Forecast Council's September 2002 forecast of total state personal income.

Money income, as defined by the Bureau of the Census, includes wage or salary income; self-employment income; interest, dividend, or rental income; social security or public assistance income; retirement or disability income; etc. It excludes some of the income components of personal income defined by the BEA. For example, employer-paid pension and medical benefits are included in personal income but not in money income. The median measures the point at which half of all households have more income and half have less.

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

INCENTIVE POLICY FOR WORKFORCE INVESTMENT ACT TITLE I-B

Under the Workforce Investment Act (WIA) Title I-B, the state must use a portion of its funding (the 10 percent state set-aside) to allocate incentive funds to local workforce development areas (WIA Title I-B sec. 134(a)(2)(B)). According to *High Skills, High Wages: Washington's Strategic Plan for Workforce Development*, "The state will earmark a portion of the state set-aside to reward local areas that exceed 100 percent of the average of the expected levels of performance for the state and federal core indicators. The Employment Security Department will allocate these funds to local areas." The state has set aside \$600,000 to allocate during the current program year for WIA Title I-B.

Last year the Workforce Training and Education Coordinating Board (WTECB) adopted the following principles for the allocation of state incentive dollars for WIA Title I-B:

1. There shall be four award funds—one for each of the three service populations and one for the general indicators of customer satisfaction.
2. The state shall adjust the actual performance results of workforce development areas for changes in economic conditions or participant demographic characteristics since the baseline year.
3. There shall be an award allocated to each local workforce development area whose adjusted results meet or exceed an average of 100 percent of its performance targets for a service population or its performance targets for the federal indicators of customer satisfaction.
4. The size of an incentive award shall be greater the greater the extent by which an area exceeds an average of 100 percent of its performance targets.
5. The size of an award shall be proportional to the size of the area.

Board staff recommends one change to these principles, and two other changes regarding the implementation of these principles.

- A. The Directors of the Workforce Development Councils (WDCs) have requested one change in this policy. For principle 2, the WDCs have requested that instead of adjusting the reported results, WTECB should adjust the local performance targets. Mathematically, it works out the same whether the targets or the results are adjusted. Whether one adjusts the targets or the results makes no difference in the allocation of incentive dollars. The WDC Directors express that it is easier to explain to council members and others that targets have been adjusted, rather than explain that the reported results have been adjusted and are not the same as the actual outcomes. The Director's preferred method is the same as the way adjustments are handled between the Department of Labor and the state. The same regression models would be used to adjust the local targets that have been used to adjust the state targets.

- B. The recommended policy removes the time limit on the policy's duration. With this change, the Board would not have to revisit the policy each year, although the Board certainly could do so if it so chose.
- C. The recommended policy adds a requirement that in future years, in order to be eligible for an award for customer satisfaction, an area would need to meet the survey response rate requirements of the Department of Labor. This change is consistent with the Department of Labor's policy that states not meeting the response rate requirements will be ineligible for a federal incentive award.

The revised policy incorporating these three changes is attached after the recommended motion.

Board Action Requested: Adoption of the recommended motion.

RECOMMENDED MOTION

WHEREAS, *High Skills, High Wages: Washington's Strategic Plan for Workforce Development*, establishes that the state will earmark Workforce Investment Act (WIA) Title I-B State Set-Aside dollars to reward local workforce development areas for reaching performance targets on the state and federal core indicators;

WHEREAS, "High Skills, High Wages," establishes that the state will take into account changes in local economic conditions or participant demographics prior to allocating incentive awards;

WHEREAS, The Workforce Training and Education Coordinating Board has created regression models to adjust performance targets based upon changes in economic conditions or participant demographics and the Department of Labor has accepted this methodology and agreed to changes in state performance targets; and

WHEREAS, The proposed WIA Title I-B Incentive Policy includes adjusting workforce development area performance targets based upon changes in economic conditions and participant demographics;

WHEREAS, The policy removes the time limit on the policy's duration so that the Board would not have to revisit the policy each year; and

WHEREAS, The policy includes a requirement that in future years, in order to be eligible for an award for customer satisfaction, a workforce development area would need to meet the survey response rate requirements of the Department of Labor;

THEREFORE BE IT RESOLVED, That the Workforce Training and Education Coordinating Board approve the attached WIA Title I-B Incentive Policy.

**Workforce Investment Act Title I-B
Washington State Policies
SECTION D: WIA Title I-B Incentive Policy**

This document has been formatted for use on this website. It contains hyperlinks that enable the user to jump directly to specific areas within the document or to related documents.

Grantees, subrecipients, and contractors funded under the Workforce Investment Act, (WIA) whether in whole or in part, must abide by the Workforce Investment Act of 1998, the WIA Regulations, all applicable Office of Management and Budget (OMB) Circulars, state regulations in laws and rules (Revised Code of Washington and Washington Administrative Code), Office of Financial Management (OFM) policies, and the Washington State WIA Policies.

<u>EFFECTIVE DATE:</u>	December 19, 2002
<u>WIA POLICY NUMBER:</u>	3665
<u>SUBJECT:</u>	WIA Title I-B Incentive Policy

BACKGROUND

Under the Workforce Investment Act (WIA) Title I-B, a portion of the Statewide Employment and Training Activities funds must be used to allocate incentive funds to local workforce development areas [WIA Sec.134(a)(2)(B)(iii)]. According to the state Strategic Plan for Workforce Development, “The state will earmark a portion of the state set-aside to reward local areas that exceed 100 percent of the average of the expected levels of performance for the state and federal core indicators. The Employment Security Department will allocate these funds to the local areas.”

POLICY

Basic Principles For Incentive Allocations

Four incentive awards: The state will allocate four separate incentive awards to Workforce Development Councils (WDC) for exemplary performance results under the WIA Title I-B Youth Grant, Adult Grant, Dislocated Worker Grant, and for high levels of satisfaction by participants and employers. Depending on the results, a local area might receive no award, one award, two awards, three or four awards.

The following chart is the incentive distribution plan.

Incentive Category	Proportion of the total incentive funds to be awarded	Performance level for a WDC to receive an incentive allocation
Title I-B Youth Services	30 percent	Meeting or exceeding an average of 100 percent of the youth federal and state performance targets
Title I-B Adult Services	30 percent	Meeting or exceeding an average of 100 percent of the adult federal and state performance targets
Title I-B Dislocated Worker Services	30 percent	Meeting or exceeding an average of 100 percent of the dislocated worker federal and state performance targets
Federal core indicators for employer satisfaction and participant satisfaction	10 percent	Meeting or exceeding an average of 100 percent of the targets on the <u>federal</u> core satisfaction indicators ¹

STEP ONE

Adjusting for local conditions: Regression models will adjust local targets for changes in area economic conditions and participant demographics that affect performance on the core indicators. The regression may move the target number downward or upward.

STEP TWO

Formula for calculating average performance in each category: The method used in the following example will be used to calculate the averaged performance in each of the four award categories:

¹ Beginning with PY 2003 incentive allocations a WDC must satisfy the federal survey response rate requirements in order to be eligible for an incentive award for customer satisfaction.

WIA Title I-B Adult Services Example			
Federal Adult Measures	WDA Regression Adjusted Target	WDA Result	(Result/ Regression Adjusted Target) x 100
Credential Attainment	67%	66%	98.5%
Entered Employment Rate	76%	78%	102.5%
Retention in Employment	83%	85%	102.4%
Earning Gains	\$4,100	\$4,300	104.9%
Average Performance Results for the Federal Measures			102.1%
State Adult Measures	WDA Regression Adjusted Target	WDA Result	(Regression / Regression Adjusted Target) x 100
Educational Attainment	24%	33%	137.5%
Employment	73%	64%	87.7%
Earnings	\$13,900	\$14,100	101.4%
Participant Satisfaction	90%	84%	93.3%
Average Performance Results for the State Measures			104.9%
Total Average (Federal Average + State Average) divided by 2			103.5%

STEP THREE

Allocation Proportion: The amount of an area's award for a given incentive category will depend on:

1. The extent to which an area meets or exceeds 100 percent of the average regression adjusted results for the incentive category.
2. The number of WDAs that meet or exceed 100 percent of the average regression adjusted results for the same incentive category.
3. The size of the local area as measured by the same formulas used to allocate Title I-B Youth, Adult, Dislocated Worker grants. WDA size will not be a factor in calculating allocations for the federal satisfaction incentive award category.

The following formula will be used to calculate the awards in each of three award categories for Youth, Adults and Dislocated Workers:

$$\frac{(\text{Area Relative Performance}) * X (\text{Area Relative Size})^{**}}{\text{Average of (Area Relative Performance) X (Area Relative Size) Among Areas Meeting or Exceeding 100 percent}} \times \frac{\text{Total Incentive Funds}}{\text{Number of Areas Meeting or Exceeding 100 percent}}$$

*

Where "Relative Performance" for an area is calculated by:

$$\frac{\text{Area Adjusted Performance}}{\text{Average Performance of Areas Meeting or Exceeding 100 percent}}$$

**

Where "Relative Size" for an area is calculated by:

$$\frac{\text{Area Size}}{\text{Average Size of Areas Meeting or Exceeding 100 percent}}$$

For the award category of customer satisfaction, the following formula will be used:

$$\frac{\text{Area Adjusted Performance}}{\text{Average Performance of Areas Meeting or Exceeding 100 percent}} \times \frac{\text{Total Incentive Funds}}{\text{Number of Areas Meeting or Exceeding 100 percent}}$$

Allowable Uses of the Incentive Funds

The local area incentive funds may be used for any activities allowed under WIA Title I-B [CFR 666.410]. This policy offers flexibility in that incentive funds awarded to a WDC for exemplary youth performance, for example, may be directed for services to eligible youth, adults, and/or dislocated workers. The source of the incentive funds is the WIA Sec.134(a). None of the incentive funds may be used for administrative costs.

DEFINITIONS

None.

REFERENCES

- WIA Sec.134(a)(2)(B)(iii)
- Final Rule 20 CFR Part 666.400 and 666.410
- Washington State Strategic Plan for Workforce Development
- Workforce Development Council WIA Operations Plans

SUPERSEDES

None. This communication is new.

WEBSITE

<http://www.wa.gov/esd/policies>

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**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 89
DECEMBER 18, 2002**

HEALTH CARE PERSONNEL SHORTAGE TASK FORCE REPORT

The following tab contains the final draft report of the Health Care Personnel Shortage Task Force, *Health Care Personnel Shortages: Crisis or Opportunity?* This report fulfills a Workforce Board requested by four leaders in the state House of Representatives in 2002.

Background

During the 2002 legislative session the Workforce Board presented findings of the Health Care Labor Shortage Work Group to several committees. Legislation, HCR 4422, proposed establishing a commission to address the problem. It was supported by the Washington State Hospital Association, but did not pass. Subsequently, Representatives Phyllis Gutierrez Kenney (Chair, House Higher Education Committee), Eileen Cody (Chair, House Health Care Committee), Steve Conway (Chair, House Commerce and Labor Committee); and Shay Schual-Berke (Vice-Chair House Health Care Committee) requested that the Workforce Training and Education Coordinating Board convene a Task Force, comprised of key health personnel stakeholders to address the issue.

The legislators charged the Task Force:

...to identify ways to increase the capacity of health professions in all areas, especially in the high demand areas, review training programs, which have well-designed career ladders, look at ways to improve recruitment and retention of students, ways to increase the diversity of health professions and to engage families transitioning from welfare to work, methods to encourage unemployed workers to seek employment in the health care field, and identify ways that state regulations, requirements, and statutes can be modified in a positive fashion to address the health care labor shortage.

In order to fulfill the charge, the Task Force held meetings from July to December during 2002. The Task Force formed committees on Educational Capacity, and Recruitment and Retention, allowing the participation of a larger group of stakeholders. The Task Force learned from a wide range of state and local efforts, and the experience of other states. The report is a state strategic plan to increase the supply of health care personnel to meet current and future demand.

The Task Force has adopted the final draft report. The draft report is undergoing final editing and graphic work prior to its public release.

Board Action Required: Adoption of the recommended motion.

RECOMMENDED MOTION

WHEREAS, RCW 28.C18.060 designates the Workforce Training and Education Coordinating Board to concentrate its major efforts on planning, coordination, evaluation, policy analysis, and recommending improvements to the state's training system; and

WHEREAS, Washington State is facing a severe shortage of qualified health care personnel, that could be alleviated by adding capacity in the state's health care education and training programs; and

WHEREAS, leaders in the state House of Representatives, Representatives Phyllis Gutierrez Kenney (Chair, House Higher Education Committee), Eileen Cody (Chair, House Health Care Committee), Steve Conway (Chair, House Commerce and Labor Committee); and Shay Schual-Berke (Vice-Chair House Health Care Committee) requested the Workforce Training and Education Coordinating Board convene a Task Force, comprising key health personnel stakeholders to address the health care personnel shortage, and submit a report with recommendations to the legislature by December 31, 2002; and

WHEREAS, The Task Force deliberated for six months, considering the latest information on personnel shortages and on actions being taken to alleviate the shortages in Washington and other states;

THEREFORE, BE IT RESOLVED, That the Workforce Training and Education Coordinating Board endorses the final draft of the Health Care Personnel Shortage Task Force Report, *Health Care Personnel Shortages: Crisis or Opportunity?* and the recommendations and state strategic plan contained within this report.

Health Care Personnel Shortages: Crisis or Opportunity?

**Report of the Health Care Personnel Shortage Task Force
December 2002**

DRAFT

Health Care Personnel Shortage Task Force Members

Brian Ebersole, Chair, President of Bates Technical College
Bill Gray, Vice-Chair, Dean of Washington State University – Spokane
Dana Duzan, Allied Health Professionals – Spokane
Joan Garner, Washington State Nurses Association
Marc Gaspard, Higher Education Coordinating Board
Earl Hale, State Board for Community and Technical Colleges
Troy Hutson, Washington State Hospital Association
Brian Jeffries, Office of Superintendent of Public Instruction
Linda Lake, State Board of Health
Brian McAlpin, Washington Medical Association - Spokane
Jeff Mero, Association of Washington Public Hospital Districts
John Nagelmann, Group Health Cooperative
Rick Ouhl, Washington State Dental Association
Gloria Rodriguez, Community and Migrant Health Centers
Ellen O'Brien Saunders, Workforce Training and Education Coordinating Board
Mary Selecky, Washington State Department of Health
Diane Sosne, Service Employees International Union
Evelyn Torkeleson, Washington Rural Health Association
Karen Tynes, Washington Association of Housing and Services for the Aging
Diane Zahn, United Food and Commercial Workers Union

For Meeting Notes and Presentations see the Health Care Personnel Shortage Task Force Web Page
<http://www.wtb.wa.gov/HEALTHCARETASKFORCE.HTM>
For additional copies of this report, please go to www.wtb.wa.gov/publications/

DRAFT

December 31, 2002

Governor Locke and Members of the Legislature:

Washington State is facing severe shortages of health care workers in all areas of the state and in nearly all health professions. These shortages are affecting the quality of health care, and adding to the cost of health care services. Hospitals that cannot find enough staff to fill vacancies are turning away patients from emergency rooms and postponing or canceling scheduled procedures. Because the health care industry is one of the main economic drivers in the state, the shortages are also impacting the state's financial stability. With the aging population needing more health care services and more health care workers reaching retirement, the demand for health care professionals will only increase.

In 2002, at the behest of four leaders in the House of Representatives, the Workforce Training and Education Coordinating Board convened the Health Care Personnel Shortage Task Force comprising key stakeholders from industry, education and labor. The Task Force met between July and November to learn from efforts to increase the number of health care professionals already under way in Washington and in other states, and to devise recommendations for the state. This report is a state strategic plan to address the critical shortages of health care personnel.

Increasing our state's health education and training capacity is the top priority. When we consider that Washington's unemployment rate is hovering around 7 percent, and we have a health care industry that offers high wage jobs and is clamoring for workers, it makes sense to train more high school graduates, dislocated workers, unemployed people, and others for health care professions. However, nearly all of the state's health care education and training programs report that they are turning away qualified students due to lack of capacity.

The Task Force meetings have provided increased visibility to this critical issue, matured the level of debate, and stimulated partnerships among state and local stakeholders. If the legislature and stakeholders implement the recommendations contained within this report, we believe we will make immediate and significant progress. We will reverse the current trend and alleviate this critical problem.

Thank you in advance for your attention to this critical issue,

[Signature]

Brian Ebersole
Task Force Chair
(President Bates Technical College)

[Signature]

Dr. Bill Gray
Task Force Vice Chair
(Dean, Washington State University-Spokane)

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Executive Summary

Washington's health care personnel shortage is at crisis level and threatens the quality and accessibility of health care, the financial stability of the health services industry, and the financial stability of the state. As 2003 commences, health care facilities across the state are operating with critical staff shortages, even though Washington reports one of the highest unemployment rates in the country, above 7 percent. Occupations with critical shortages include nurses, medical aides, dental hygienists, laboratory personnel, pharmacists, physicians and radiology technologists, billers and coders, among others.

The industry has resorted to importing workers from other countries, and utilizing temporary employment agency staff for regular staffing needs, despite the exorbitant costs. These short-term activities have *not* been adequate to fill the gap between supply and demand, leading to undesirable outcomes, including turning patients away from emergency rooms and delaying scheduled procedures.

While health care employers search for staff, a large number of our health care training programs report they are turning away qualified students because they lack the capacity, the faculty and the clinical sites to train them. Fifty-six programs offering nursing and allied health training reported waiting lists in 2001. Washington State University's School of Nursing turned away two-thirds of its undergraduate applicants. Across the state, health care training programs have reached capacity; however, the number of people graduating from these programs does not meet our immediate or future needs.

In addition, the diversity of the health care workforce does not meet current or future healthcare access and workforce needs. Over 5,000 more minority licensed physicians, physician assistants, nurse practitioners and nurses are needed to reflect the diversity of Washington's residents. Racial and ethnic minority populations and people with disabilities are under-utilized labor pools.

In response to these concerns, Representatives Phyllis Gutierrez Kenney (Chair, House Higher Education Committee), Eileen Cody (Chair, House Health Care Committee), Steve Conway (Chair, House Commerce and Labor Committee); and Shay Schual-Berke (Vice-Chair House Health Care Committee) requested the Workforce Training and Education Coordinating Board convene a Task Force, comprising key health personnel stakeholders. The legislators charged the Task Force:

...to identify ways to increase the capacity of health professions in all areas, especially in the high demand areas, review training programs, which have well-designed career ladders, look at ways to improve recruitment and retention of students, ways to increase the diversity of health professions and to engage families transitioning from welfare to work, methods to encourage unemployed workers to seek employment in the health care field, and identify ways that state regulations, requirements, and statutes can be modified in a positive fashion to address the health care labor shortage.

In order to fulfill the charge, the Task Force held meetings from July to December during 2002, learning from a wide range of state and local efforts, and the experience of other states. The Task Force formed committees on Educational Capacity, and Recruitment and Retention,

allowing the participation of a larger group of stakeholders. The committees incorporated recommendations from the Health Workforce Diversity Network to prevent duplication of efforts regarding diversity issues. Following recommendations from the committees, the Task Force developed this state strategic plan to increase the supply of health care personnel to meet current and future demand.

The recommended strategies address six goals:

Goal 1: Increase educational capacity and efficiency in health care training programs to enable more people to gain qualifications to work in health care occupations.

Goal 2: Recruit more individuals, especially targeted populations¹ into health care occupations, and promote adequate preparation prior to entry.

Goal 3: Develop a data collection and analysis system to assess health workforce supply and demand.

Goal 4: Retain current health care workers.

Goal 5: Enable local communities to implement strategies to alleviate the health care personnel shortage in their areas.

Goal 6: Develop a mechanism to ensure continued collaboration among stakeholders, track progress, create accountability for fulfilling this plan, and to plan for future health workforce needs.

To accomplish these goals the plan outlines 36 strategies and identifies entities responsible for accomplishing each strategy. The legislature, state agencies, educational institutions, and other public and private partners such as community-based organizations are among the responsible entities. The complete recommendations are followed by 14 outcome measures to track progress. A complete list of Recommendations and Outcome Measures begins on page 28.

Priority Recommendations

The Task Force recommends four priority strategies that require immediate action to alleviate Washington's severe shortage of health care personnel:

- ⇒ **Provide funds to health care education and training programs in order to expand capacity, and allow for the higher costs of providing these programs.** Due to the lack of funding and facilities, education and training providers report turning away qualified students. Education and training programs must have more state general funds that account for the high costs of providing health care education and training programs. Funding programs located in underserved and rural communities is essential for training and educating health care providers who are more likely to practice in those communities.

¹ Targeted populations includes underserved populations such as rural communities; racially and ethnically diverse youth and adults; men and women; disabled, new immigrants, dislocated and incumbent workers; and military personnel.

- ⇒ **Provide compensation to health program faculty that competes with wages earned outside teaching.** A major barrier to expanding health care education programs is the lack of qualified faculty. In some local areas, employers and education institutions have been able to share employees. Education institutions working with the Legislature, labor and employers should identify ways to increase flexibility in faculty salary structures to compensate faculty competitively with wages earned outside teaching.
- ⇒ **Expand clinical training capacity.** While most health care education and training programs include a clinical training component, educational institutions report severe shortages of clinical sites and faculty to supervise clinical placements. Employers and educators are working together to overcome these barriers. Local Skills panels are developing coordinated clinical training placements among educational institutions and employers. These must be expanded to all health occupations and areas of the state that are experiencing clinical site shortages.
- ⇒ **Empower local communities to address the shortage in their areas.** As of December 2002 Health Skills panels have been established in 8 of the 12 local workforce development areas. These skills panels are collaborations of health employers, labor and education providers, and community-based organizations in local areas that are implementing strategies to alleviate critical shortages. Funding should be provided to establish Health Skills panels in the four remaining Workforce Development Areas, and to continue support for the existing Health Skills panels. There must also be coordination among local panels to enable them to learn from one another and for the state to continue to learn from them.

Local Health Care Skills Panels

Health Skills Panels comprise local health employers, educators, and labor. They meet to develop and implement local solutions for health care personnel shortages. Since 2000, the Workforce Training and Education Coordinating Board has issued SKILLS (Securing Key Industry Leaders for Learning Skills) grants to workforce development councils² for the purpose of supporting skills panels in industries that are significant for the economic development of the area. Eight workforce development councils have established skills panels in health with the main purpose of identifying health personnel shortages in their areas, and, designing and implementing solutions (see Appendix C.)

To ensure accountability for accomplishing the goals in this plan, the Task Force developed the following outcome measures:

² The federal Workforce Investment Act of 1998 required that each state establish local workforce investment boards, known in Washington as *Workforce Development Councils*. Washington has 12 Workforce Development Councils that are each comprised of a majority of business representatives, with education, and labor representatives. These councils fulfill the state strategic goals for workforce development at the local level.

Outcome measures:

1. The number and diversity of students enrolled in health care education and training programs.
2. The number and diversity of students completing health care education and training programs.
3. The number and diversity of students training to become faculty in health care education and training.
4. The amount of additional funds allocated to increase educational capacity in health care education and training programs.
5. The establishment of an ongoing statewide system for data collection and analysis.
6. The establishment of a campaign to market health care careers.
7. The establishment of a web site to provide health care training/career mapping and financial aid information.
8. The numbers of Workforce Development Councils that have established health care Skills panels.
9. Turnover rates for health care personnel.
10. The level to which health workforce diversity reflects the diversity of the populations served.
11. The numbers of incumbent health care workers receiving training to move up a career ladder.
12. The number of high schools offering health science programs, and the number of these that lead to certification.
13. The proximity of supply to demand of health care personnel.
14. The number of strategies in this plan that are successfully implemented.
15. The creation of a formal mechanism that oversees the implementation of Task Force recommendations, and holds responsible entities accountable.
16. Commitment by the Governor and legislature to target health professions education at the true cost.

The Task Force decided to exclude two significant issues from the discussion to ensure progress within a limited time frame. While the Task Force acknowledges that Medicare, Medicaid and private insurance reimbursement rates are issues that impact physician supply, and the industry's ability to fund workforce development, the membership and the time frame were inadequate to address these concerns. The Task Force also removed scope of practice issues from the discussion because associated controversies could prevent progress on immediate, high priority issues.

While not outlined specifically in the charge provided by the legislators, Task Force members recognize that another issue is also very important: retaining current health care workers. This is discussed in Appendix A.

Health care personnel shortages are impacting all areas of the state, the stability of the health care industry, and the state's economy. All Task Force members agreed that the priority for alleviating health care personnel shortage is increasing educational capacity. With increased capacity in health care education and training programs, this crisis could develop into an opportunity to prepare many of the state's dislocated and unemployed workers for high-wage jobs in health care, and boost the economy.

1. Overview

Health care employers statewide report severe shortages across all health professions and all types of health care facilities. The shortages are threatening the quality of Washington's health care system and access to health care services. In 2001, Washington's acute care hospitals, the largest employer of nurses, reported a shortage of approximately 2,000 staff registered nurses (RNs). (This figure under-estimates the shortage of registered nurses because the study did not include private clinics, federal, rehabilitation psychiatric hospitals, and other settings where registered nurses are employed.¹) Washington State nursing homes reported a vacancy rate of nearly 20 percent for staff RNs and nearly 15 percent for licensed practical nurses.² Shortages of this magnitude endanger patients and increase health care costs.

In 2001, 55 percent of emergency departments turned away patients because they did not have enough nurses.³ According to the Joint Commission on Accreditation of Health Organizations, the primary accrediting body of hospitals and community health centers, staffing levels have been a contributing factor in 24 percent of the reported unanticipated events occurring that resulted in death, injury or permanent loss of function.⁴

In understaffed facilities, health care workers must work longer shifts, more overtime and be responsible for more patients. Studies of nurse satisfaction rates report that a high percentage of nurses are thinking of leaving their jobs.⁵ When describing sources of dissatisfaction, health personnel consistently describe the workplace as highly pressured and unfriendly.⁶ Turnover rates for nursing staff working in nursing homes are as high as 95 percent for nursing assistants and 69 percent for staff RNs per year.⁷ Washington's hospitals are reporting a turnover rate of about 17 percent for their staff RNs.⁸

As a result of the shortage, health care facilities have watched operating costs increase astronomically. In 1995, contract nursing expenses for hospitals in Washington State were just over \$11 million, or about \$120,000 for an average hospital. Four years later, in 1999, the figure had grown to over \$40 million, or an average of over \$400,000 per hospital.⁹ Short-term solutions, such as sign-on bonuses, hiring nurses from other countries, and more use of temporary help to fill vacancies are very expensive and part of the reason that costs have increased at health care facilities. Because facilities must pay these higher costs, they put fewer resources into developing long-term strategies for filling vacancies and retaining staff, such as offering staff educational opportunities and work redesign.¹⁰

Health care is one of the largest industries in our state, and the shortage of health care personnel could have serious implications for the economic vitality of the state. Over 207,000 people are employed in health services representing 8 percent of the state's workforce.¹¹ The health care industry provides over \$6.2 billion in wages each year. This is almost twice as much as the agriculture, forestry, and fishing industries combined. Between 2002 and 2008 there will be over 6,600 job openings in healthcare each year.¹² The National Rural Health Association estimates that 20-30 percent of a rural community's economy depends on its health care system because it is usually either the major or the second major employer in the community.¹³

The shortage is threatening Washington's competitiveness as a desirable place to live and work. Businesses want to locate in communities with a high quality of life. Access to healthcare is a fundamental component in determining a region's quality of life.

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To address this crisis, four legislative leaders in the State House of Representatives requested that the State's Workforce Training and Education Coordinating Board convene a task force to address the health care personnel shortage in Washington. The Legislators requested that the task force include key labor, business, education and health care leaders and directed the task force to identify ways to increase the capacity of health professions. The Legislators asked the task force to examine educational capacity; recruitment and retention, including recruitment of diverse populations; and changes to regulations for licensing and accreditation.

The Task Force reviewed initiatives and recommendations of previous efforts, including those of professional associations, and national, state and local health care entities, and the experience of other states. The Task Force formed two Committees to develop strategies for Educational Capacity, and Recruitment and Retention. Committee membership was expanded beyond Task Force members to encompass a wide portion of stakeholders from industry, labor and education (see Appendix E for list of Committee Members). Committees examined a wide range of strategies, and determined if they addressed:

- Rural and urban Washington
- Increasing the diversity of the workforce
- All types of health care facilities
- All health care occupations (or occupational specific)
- Impact on quality of health care, and cost v. benefit

The Task Force asked the Health Workforce Diversity Network to make recommendations to the Educational Capacity and Recruitment and Retention Committees on increasing the diversity of the health care workforce.¹⁴

Task Force members narrowed the range of topics open for discussion to ensure progress could be made on key issues. For example, Medicare, Medicaid, private insurance reimbursement costs, and scope of practice issues can impact the supply of health care personnel but the Task Force purposefully did not address this. While Task Force members acknowledge that these are important issues, they were beyond the charge of the Task Force. The Task Force prioritized educational capacity and recruitment issues.

The members of the Task Force agree that the priority for alleviating the shortage is increasing educational capacity. Education and training institutions must be given the funding to expand their programs, secure facilities, train a larger number of qualified applicants, and prepare for a large number of students to be served by health care programs. In order to have sufficient capacity, health care education and training faculty must be compensated at a level that competes with industry wages. In addition, local education institutions, employers and labor must receive assistance to enable them to craft solutions that address their specific needs.

This report discusses the key issues and challenges Washington faces and recommends strategies for the legislature to pursue. It also serves as a strategic plan for state agencies, educators, labor, employers and workers to take action now.

2. The Demand for Health Care Personnel

The Shortage of Health Care Personnel in Washington

Washington is experiencing a severe shortage of health personnel in all areas of the state. Health occupations that face critical shortages include nurses, medical aides, dental hygienists, billers and coders, laboratory personnel, pharmacists, physicians and radiology technologists, among others. In 2001 the Center for Health Workforce Studies at the University of Washington and the Washington State Hospital Association conducted a survey of the 83 acute-care hospitals in Washington.¹⁵ Results shown by workforce development area, provide evidence of the statewide problem (see Figure 1).

Figure 1. Hospitals Report Recruiting is “Very Difficult” for:

	Workforce Development Area and Included Counties (See map in Appendix C)											
	1. Olympic: Clallam Jefferson Kitsap	2. Pacific M'tain (5 co.s) ***	3 Northwest Island San Juan Skagit Whatcom	4. Sno- homish	5. King	6. Pierce	7. South west (4 co.s) ****	8. N. Centr al (5 co.s)**	9 Tri- County Kittitas Klickitat Yakima	10. E. WA (9 co.s)*	11 Benton Franklin	12. Spokane
Newly Trained RNs												
Experienced RNs												
Licensed Practical Nurses												
Nursing Aides												
Medical Technologists/CLS												
Medical Lab Technicians/CLS												
Radiology Technologists												
Ultra Sound Technologists												
Nuclear Med. Technologists												
Radiation Ther. Technologists												
Medical Records Technologists												
Medical Records Coders												
Licensed Pharmacists												
Pharmacy Technologists												
Physician Assistants												
Dieticians												
Physical Therapists												
Occupation Therapists												
Respiratory Therapists												

*10. Asotin, Columbia, Ferry, Garfield, Lincoln, Pend Oreille, Stevens, Walla Walla, Whitman

**8. Adams, Chelan, Douglas, Grant, Okanogan

***2. Grays Harbor, Lewis, Mason, Pacific, Thurston

****7. Clark, Cowlitz, Skamania, Wahkiakum

Key: Percent of hospitals reporting “very difficult” to recruit:

= 0 percent



= 1 percent to 49 percent



= 50 percent to 100 percent

Source: Washington State Hospital Association and Center for Health Workforce Studies, University of Washington, 2001 Survey of Acute-Care Hospitals in Washington.

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Data on demand and supply of registered nurses demonstrates the severity of the shortage. In 1999 there were 52,497 licensed registered nurses in Washington.¹⁶ According to a 2002 report by the U.S. Department of Health and Human Services, Health Resources and Services Administration, if the demand for nurses continues to outstrip supply at its current rate, Washington is forecast to experience a shortage of 25,451 full-time equivalent registered nurses by 2020.¹⁷ Registered nurses and licensed practical nurses comprise almost a quarter of the occupations employed in health services.¹⁸ When combined with nursing aides, orderlies and attendants, this figure rises to about a third of the health workforce.

The survey of acute-care hospitals estimated a shortage of 1,987 staff nurses needed to fill 1,401 vacant full-time equivalent positions in 2001. Hospital registered nurse vacancy rates were 9.2 percent statewide, with rural hospitals reporting vacancy rates of 8.9 percent, and urban, 9.6 percent.¹⁹ When asked to identify the primary reason for nurse vacancies, over 80 percent of hospitals said there were not enough applicants or a lack of qualified applicants.²⁰

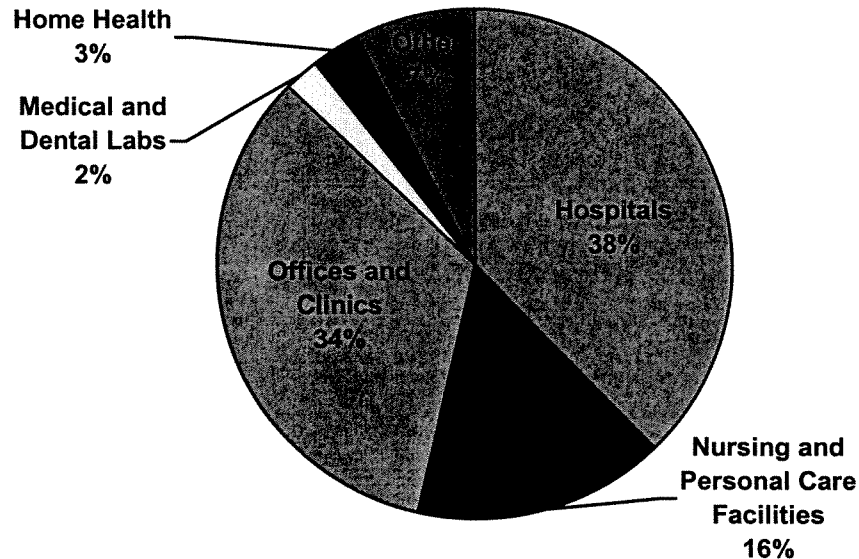
Hospitals reported difficulty recruiting both newly trained and experienced nurses. Over 74 percent of hospitals reported difficulty in recruiting newly trained registered nurses and 97 percent reported difficulty recruiting experienced registered nurses. More rural hospitals than urban hospitals reported it was “very difficult” to recruit new-trained nurses (rural, 38 percent, urban, 12 percent).²¹ The most difficult registered nurse specialties to recruit were intensive care unit/critical care unit, anesthesia, emergency, operating room/recovery, and labor and delivery.

High rates of burnout further contribute to the critical workforce shortages. During 2000 to 2001, the average nursing staff turnover rate in Washington’s rural and urban hospitals was 16.6 percent per year. While a high proportion of hospitals reported using a wide range of recruitment and retention incentives such as supplemental pay, tuition reimbursement, and flexible hours, fewer hospitals reported that these were effective. In Washington’s nursing homes the annual average turnover rate for registered nurses was 69 percent, and for nursing assistants it was 95 percent.²² (See Appendix A for a discussion on retention issues.)

Projected retirements imply the shortage will become more severe unless the state increases supply. The average age of registered nurses in Washington is 47 compared to the national average age of 45. Sixty-nine percent of registered nurses employed in hospitals in Washington are 40 or older.

The results of the 2001 survey of the state’s acute-care hospitals describe only part of the picture. More than 40 percent of health personnel work in non-hospital settings (see Figure 2).²³ Fifty-four percent of registered nurses work in non-hospital settings, while about 77 percent of licensed practical nurses work in non-hospital settings (39.5 percent in long-term care).

Figure 2. Health Services Employment by Place of Work: Washington



Source: The Bureau of Labor Statistics, 2001

Shortages exist in many occupations besides nursing. A survey of dentists conducted jointly by the Washington State Dental Association and the University of Washington's Center for Health Workforce Studies, demonstrates shortages of dentists, dental assistants, and particularly dental hygienists.²⁴

Half of dentists reported that they planned to retire by 2013. Thirty-three percent of general dentists anticipate allowing no increase in patient volume, citing lack of available dental hygienists, and dental assistants among the reasons. On average there are 41 dental hygienist vacancies per 100 general dentists. The study reports greater shortages of dentists and dental hygienists in rural areas compared to the general population with 57 percent of rural dentists indicating they planned to retire by 2013.

Washington's dental hygienist vacancy rate was 24.5 percent with the highest vacancy rates in rural areas (29 percent) and along the I-5 corridor (Seattle, Everett, Tacoma, and Olympia). The study estimates that Washington will require about 360 dental hygienists to enter practice each year through 2010 to eliminate vacancies, 210 more than currently supplied by college programs.

As the population ages there is a growing demand for pharmaceutical services and the roles for pharmacists are expanding to long-term care facilities, community health centers, managed care organizations and hospital settings.²⁵ The 2001 hospital survey shows that hospital in all areas of the state report shortages of pharmacists.²⁶ A study by the National Association of Chain Drugstores reports that chain and community practices in Bonney Lake, Chehalis, Eastern Washington, Moses Lake, Olympia, Seattle, Spokane, Southwest Washington, Sunnyside, Tacoma, Tri-cities area, Yakima, and Walla Walla are experiencing severe shortages.²⁷ Each

year the two schools of pharmacy at the University of Washington and Washington State University produce about 140 graduates. At the same time about 100 pharmacists are retiring each year.²⁸ The reported shortages in hospitals, chain drugstores and community practice indicate that 40 additional pharmacists each year are not enough to meet demand.

Consequences

Health care personnel shortages have made it extremely difficult for health care facilities to maintain adequate staffing levels. This threatens the quality of care given to patients; negatively affects the safety and well being of existing staff; and significantly increases health care facilities' cost of providing care. Hospitals and other health care facilities' operating costs are skyrocketing, as they must contract for expensive temporary help through temporary employment agencies. Major consequences of health care personnel shortages are emergency room overcrowding, diverting patients to other hospitals, discontinuation of services, delaying elective surgeries, reduced availability of hospital beds, waiting lists for appointments, and increased worker burnout and turnover rates.

In 2001, 66 percent of urban hospitals, and 46 percent of rural hospitals went on "divert status" turning away emergency department patients because they did not have enough nurses.²⁹ As a result, emergency patients had to travel further and emergency treatment was delayed. Low staffing levels have caused Washington hospitals to cut back and/or postpone scheduled procedures. In 2001, a large regional hospital in Seattle had to cut back 50 percent of its surgery schedule because of a lack of anesthesiologists.³⁰ Delaying elective surgeries may mean prolonging a patient's discomfort and increasing the risk of complications.³¹

Recent surveys of Washington's hospitals and nursing homes reveal high turnover and vacancy rates of essential personnel, which lead to higher patient-to-nurse ratios. According to a study recently published in the Journal of the American Medical Association, surgical patients with conditions that require high patient-to-nurse ratios are at higher risk of dying from complications because nursing staff are not available to respond quickly enough.³²

Low staffing levels have also been linked to job dissatisfaction and burnout. Higher emotional exhaustion and greater job dissatisfaction in nurses were strongly and significantly associated with low patient-to-nurse ratios in a recent survey. In the same survey, 43 percent of nurses who reported high burnout and were dissatisfied with their job intend to leave their current job within the next 12 months.³³

Hospitals' operating costs have increased dramatically as nursing and other essential staff vacancies become harder to fill. In order to keep staffing levels acceptable, administrators must contract for temporary staff at a much higher cost to the facility. These expensive short-term solutions are necessary to ensure that patient care is not compromised. Because facilities are paying, higher recruiting costs, they are less able to put resources into developing long-term strategies for filling vacancies and retaining staff, such as work redesign and offering staff educational opportunities.³⁴

3. Challenges and Opportunities for Addressing the Shortage

Alleviating the shortage of Washington's health care personnel will require overcoming significant challenges. The state's population is aging and becoming increasingly diverse. In order to meet these challenges we must expand capacity in health care education and training programs.

Primary challenges are building adequate workforce supply to meet the needs of the growing aged population, increasing capacity in health care education and training programs, and meeting the needs of an increasingly diverse population.

Washington had the second highest unemployment rate in the nation (7.4 percent as of October 2002). Unemployed workers could be recruited into health care professions. Individuals receiving Temporary Assistance to Needy Families (TANF), served through the state's WorkFirst program, are also in need of career opportunities. The job vacancies in health care can provide the types of career opportunities that unemployed workers and TANF recipients need. And because Washington's unemployment rate is high, Washington is receiving increased federal funding through the federal Workforce Investment Act (WIA) that can be utilized to support and expand programs to prepare workers for health care occupations.

The following section outlines the major challenges and opportunities for alleviating the shortage of health care personnel, and examples of initiatives already underway in the state. The Task Force examined these initiatives with the intention of building a state plan based on previous successes.

3.1 The Aging Population Intensifies the Shortage

The current shortage of health care personnel is different from previous cyclical shortages because it is structural. Washington's aging population will dramatically increase the demand for health care. The aging population includes health care personnel who will retire just at the time when more health care workers are needed.

In 2000, Washington's population over age 65 was 662,000. By 2020, there will be more than 1.22 million people over age 65.³⁵ The impact of this increase on our health care system will be immense. Older adults use 23 percent of ambulatory care visits, 48 percent of hospital days, and 69 percent of home health services, and they represent 83 percent of the residents in nursing facilities.

Many health care workers are also nearing retirement age. The average age of registered nurses in Washington is 47, two years above the national average. Forty-eight percent of pharmacists are forty-five or older, and about half of Washington's dentists report they plan to retire by 2013.

3.2 The Necessity of Recruiting Diverse Populations into the Health Workforce

It will be necessary to recruit more racial and ethnic minorities, people with disabilities, and men, into nursing and other health professions. Non-white and Hispanic people represent the fastest growing segment of our state's population. People with disabilities are a huge under-utilized pool of labor. Of the 557,000 working-age adults with disabilities in Washington, only

about half are employed, and about a third of those employed report they are under-employed.³⁶ In order to benefit from the availability of racial and ethnic minorities and people with disabilities, it will also be necessary to provide sufficient preparation in math, science, and basic skills courses, and role models for these populations.

Currently, the racial and ethnic composition of Washington's health workforce does not reflect Washington's racial and ethnic diversity.³⁷ (see Figure 3).

Figure 3
Percent of Racial and Ethnic Minority Populations in
Health Workforce for Selected Occupation

Race/ Ethnicity	Percent of State Population	MD's (%)	Physician Assistants (%)	Nurse Practitioners (%)	Dentists (%)	Dental Hygienists (%)
African American	3.2	1.0	2.4	1.1	0.9	0.5
American Indian/A K Native	1.6	0.5	1.2	0.6	0.7	1.1
Hispanic	7.5	2.0	4.5	1.6	1.7	1.7

Source: Census 2000 and CHWS Data Snapshots

Registered nurses make up the largest single health profession, representing nearly 20 percent of all the health care workers. Historically women have chosen nursing as a career. Ninety-two percent of Washington's RNs are female.³⁸

Important strategies include encouraging diverse health care professionals to mentor students and offer job-shadowing opportunities. Health training programs can reduce potential cultural and language barriers by integrating English as a Second Language into the core health care training curriculum. Two ongoing efforts to improve educational outcomes of minorities are the State Board of Community and Technical College's (SBCTC) strategy for increasing college completion rates of its minority students and the Office of Superintendent of Public Instruction's recent emphasis on improving methods of assessing English language proficiency.

Recruiting from these diverse populations will build a workforce that more closely reflects the increasing diversity of our state with the added benefit of improving health outcomes of underserved and minority populations. Racial and ethnic minorities in our state carry a disproportionate burden of disease, disability, and premature death when compared to the general population. A growing body of research shows that a diverse health care workforce can improve the health status of racial and ethnic minorities because minority health professionals are more likely to provide health care to poor and underserved patients, and practice in underserved areas. In addition studies demonstrate that a common language and/or ethnic background shared by provider and patient improves quality of care and health outcomes.³⁹

3.3 Educational Capacity is Inadequate to Fulfill Demand

Expanding educational capacity in health care education and training programs is the key to eliminating the shortage of health care personnel. Currently, 2- and 4-year higher education institutions do not have the capacity to train all qualified applicants and are turning away many

students. In addition, demand for higher education and training is projected to increase. Forecast growth in the industry will require increased capacity beyond current demand, and there are likely to be additional students from the ranks of dislocated workers, TANF recipients, workers in low-income occupations, racial and ethnic minorities, and a growing number of students graduating from high school.

Educational capacity includes five elements: (1) Funding to support student enrollments, (2) Availability of qualified faculty, (3) Clinical Training capacity that includes sites at the workplace, clinical supervision faculty and clinical supervision staff at the workplace, (4) Equipment, and (5) Facilities for classrooms and laboratories. Postsecondary institutions cite all these as limitations for expanding health care programs.

A large number of schools and colleges report turning away qualified students because they lack capacity in their health care education and training programs. Fifty-six separate nursing and allied health programs at community and technical college reported waiting lists in 2001 (see Figure 4). For example, Washington State University's School of Nursing turned away two-thirds of undergraduate applicants and Seattle University's Nursing program received 120 applications for 20 slots. Many programs report waiting lists, for example students who want to enter the Medical Laboratory Technician Program at Clover Park Technical College in Tacoma are on a waiting list for two years. Only 12 students can be admitted each year because of lack of on-site clinical training opportunities and the need for additional equipment.

Health Care education and training programs are more expensive than most other programs due mainly to faculty, equipment and facilities costs. Low student-faculty ratios are required in class and at clinical training sites for program accreditation and to ensure patient safety. Program costs include salaries for lab assistants and faculty with appropriate graduate degrees. Most health care programs require specialized equipment that can be extremely costly, such as x-ray machinery, and instructional materials. At community and technical colleges the average cost of health care programs is about \$10,000 per full-time equivalent student, while other programs average between \$5,000-\$6,000. In contrast, at the University of Washington, the cost of courses taken per full-time equivalent student per year is \$29,000 for a Bachelors in nursing (upper division) and at \$41,000 for courses taken in the Masters in Nursing program.⁴⁰

Health care education and training programs have difficulty attracting qualified faculty because many health care professionals are able to earn more working in the industry than as faculty. For example, according to the American Association of Colleges of Nursing, a nurse practitioner in private practice earns \$78,217 while similarly prepared nursing faculty earn an average of \$54,980. At community and technical colleges the average faculty salary is \$46,271.⁴¹

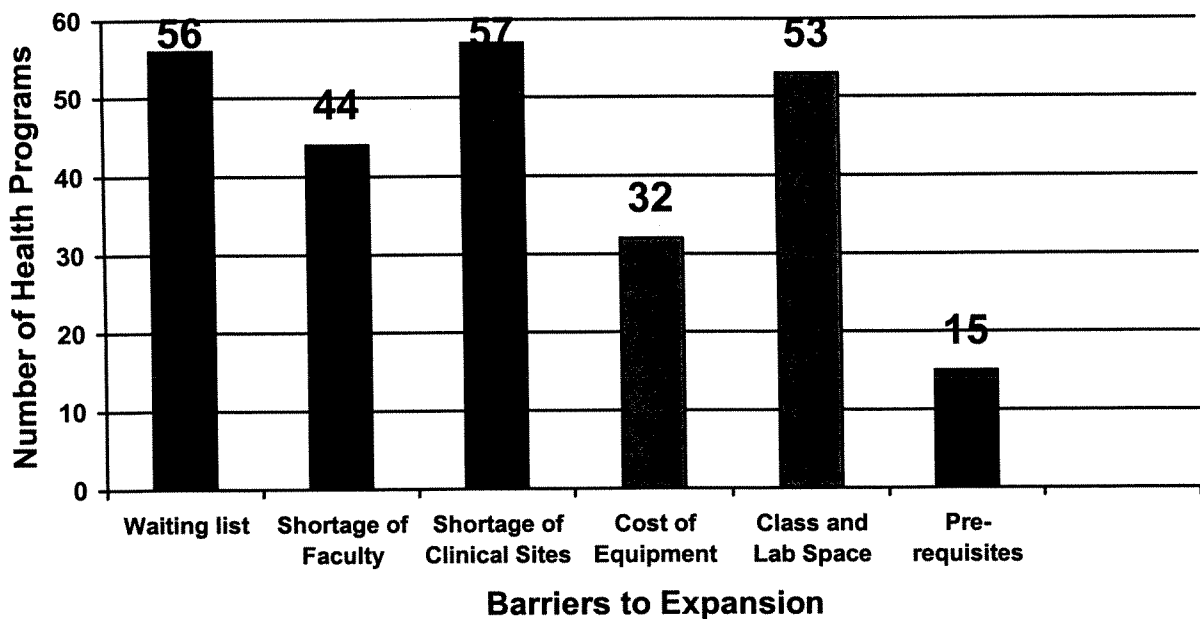
The increase in the number of faculty qualifications waivers the Washington Nursing Commission has granted in recent years is one indication of the shortage of qualified faculty. These waivers allow faculty to teach programs even if they have not yet attained a masters in nursing, as required for accreditation of programs. In 2002, most of the 17 nursing programs requesting waivers to employ faculty with Bachelors in Nursing rather than a Masters in Nursing were approved.

Another imminent concern is the average age of health program faculty. The average age of professors in four-year nursing programs nationwide is 56.3 years. Associate Professors are 53.8 years and Assistant Professors are 50.4 years.⁴²

The lack of clinical training sites is a major barrier to expanding health care education programs across many health professions. In some programs the required ratio of student to clinical supervisor is very low. For example, radiology technology is one to one. Accrediting bodies also require specific supervision from faculty and staff on-site. Staff on-site must have certain qualifications, and often students have to take exams using on-site equipment.

In order to identify barriers to expanding capacity, SBCTC conducted a survey of all health care programs. Thirty-one schools responded, and all indicated a need to expand their health care programs.⁴³ The survey found that a large number of programs were over-enrolled, had students on waiting lists, reported difficulty recruiting qualified staff, lacked clinical training capacity, and had high equipment costs. A smaller number reported that they did not have enough space for teaching classes, and that there was a lack of pre-requisites available in the school such as English as a Second language, basic skills, or math and science.

Figure 4. Barriers to Expanding Health Care Programs at Community and Technical Colleges⁴⁴



In 2002, SBCTC directed \$2.1 million in grants for health care program expansion or creation for 12 separate projects. SBCTC received requests that far outnumbered the available funds, demonstrating the readiness of health program administrators to expand programs if funds become available.⁴⁵

The grants expand capacity in a variety of ways. The Tacoma Community College received a grant to hire a clinical site coordinator. The college is examining the model implemented by Maricopa County Community Colleges, Arizona. This program provides one point of contact for health care employers providing clinical sites, assures a fair distribution of students, and increases capacity.

Tacoma Community College, in partnership with eight regional nursing programs and the Pierce County Health Services Careers Council, received two grants to support hiring a Clinical Site Coordinator. The coordinator will centralize and maximize clinical training opportunities, including development of a web-based planning system, such as is used in Maricopa County, Arizona.

Greater efficiency in health care education and training can help to expand capacity. At the same time, efficiency should not be substituted for quality. Standards of health care education and training must be maintained to provide quality care. For example, In Arizona, Maricopa Community Colleges transformed six separate nursing curricula into one curriculum. The allied health programs devised a common-core curriculum that covered subjects that all students must take such as medical terminology, anatomy and physiology. These actions have helped to increase efficiency among the schools by freeing up faculty time and other school resources, without compromising quality. In Washington some institutions are beginning to develop a core program approach. For example, in 2002 Spokane Community College received a grant to create seven basic online programs that provide a core curricula for allied health programs.

There are 55 health professions regulated by the Department of Health, either through the Secretary or the 16 professional boards and commissions. These entities approve education and training programs (working with national accreditation boards), hear complaints, and examine a variety of rules and regulations related to gaining and maintaining credentials. The Department of Health has been working with the Boards and Commissions to review professional regulations and identify barriers to entry into professions.

Another way to increase the efficiency is to improve articulation between institutions and programs, and increase recognition of competencies learned in a variety of settings, including on-the-job. Increased points of entry and credit for competencies already achieved promote timely achievement of qualifications. One project in Eastern Washington that received a grant from SBCTC aims to develop articulated agreements in allied health between five community colleges in rural Washington.

Ensuring students are well prepared before they enter health care programs would also help to increase retention and efficiency. At community and technical colleges where there is a policy of open enrollment, students must still take placement tests. If students are not sufficiently prepared they must take basic skills or pre-requisite classes. Some colleges do not have enough capacity in pre-requisites such as physiology, or basic skills such as reading, writing, math or English language proficiency to enable students to move quickly through this process.⁴⁶

In response to studies that found that faculty diversity improves retention of diverse populations, SBCTC, implemented a policy to increase the diversity of faculty. In addition, SBCTC conducted focus groups with faculty and students to identify causes for the high rate of attrition among racial and ethnic minorities in post-secondary education. The study led to the development and incorporation of curricula that is appropriate to diverse cultures.

Besides additional state funding for increasing capacity at two and four-year colleges and universities, there are other avenues for expanding capacity. Apprenticeship is one such avenue for a variety of fields. The Apprenticeship Training Council, Department of Labor and Industries, has been working with the Department of Health, and the Dispensing Optician Board to create an Apprenticeship for Dispensing Opticians. This program is complete and 3 students have completed the program with another 38 active apprentices. One of the barriers to expanding apprenticeships in health care is the misconception that all the training is done at the work site. Apprenticeship programs always include a significant classroom component. Usually a participant will work on-site during the day and attend classes at night. The Health Skills panel in Pierce County, the Pierce County Health Services Careers Council, is planning to pilot an apprenticeship program for Health Unit Coordinators.

Many examples exist of public/private partnerships that have resulted in increased capacity of health care education and training programs. When Kelso school district had difficulty finding qualified faculty to teach their health science courses in nursing, they approached the St. John Hospital. The hospital agreed to allow four qualified registered nurses to teach at the high school. The teachers receive an hourly rate that is equivalent to an industry salary, but at reduced hours depending on the funds the school has available. The hospital pays benefits. Two of the teachers work almost full-time at the school, while the other two work 50 percent or less at the school and pick up hours working at the hospital. The arrangement enables students at the high school to take health science with a nursing specialty, and the hospital is seeing the benefits of their investment, having hired at least 40 employees that went through the program at Kelso high school.

Other examples of faculty sharing arrangements exist within the state. Some hospitals provide full or partial salary and/or benefits for faculty that may also work part-time in the hospital. Ideas for increasing faculty availability include joint appointments among educational institutions, faculty chair endowments, and the use of distance technology to enable remote faculty to teach classes. With limited state funding for faculty salaries, all colleges and universities need assistance in finding ways of attracting and retaining faculty.

Currently the Washington State Health Professions Scholarship and Loan Repayment Program devotes a portion of funds to aid students who intend to become nursing faculty. Additional funding for this program and the creation of similar programs funded privately or through public/private partnerships would help to recruit faculty to serve in schools that are experiencing shortages of health care faculty.

Post education and training employment outcomes demonstrate that jobs are readily available upon completion of their programs. In 2001, 88 percent of Washington's Medicine Residency Graduates secured a position within one month post residency.⁴⁷ Other health care education and training programs are at the top of the list with the highest employment rates (in the third quarter following completion) when compared to other employment and training programs. A wide

range of allied health programs have employment rates of around 80 percent with Dental Hygienists at 96 percent employment and Medical X-Ray occupations between 92 and 94 percent employment. It should be noted that this data does not include those students who gain employment outside the Pacific Northwest, or those that take time off before seeking employment.⁴⁸ These high employment rates following program completions correlate with other data sources showing shortages across a wide range of health care occupations.

3.4 Recruiting and Preparing Students for Opportunities in the Health Workforce

A career in health care can be an attractive option because of the direct rewards of patient care and salaries that are high compared to other occupations. Becoming a health care professional requires a good foundation in math and science, postsecondary training, clinical training, and in many professions, passing a certification or licensing exam.

Many high school graduates find they are not adequately prepared to enter health care education and training because they have not taken the necessary math and science pre-requisites. Some of these students choose other areas of study; others must spend their first year of postsecondary education completing pre-requisites that they could have taken in high school. Dislocated workers or people transitioning from welfare to work, who may be interested in a health care career, find that the training may take longer than what their program allows or what they can afford.

The Task Force recognizes that there are many ways for people to enter into a health care career. Ideally, no matter which path one chooses it should be as direct a path as possible.

Washington State's K-12 system has a Health Occupations program, offered in high schools and Skills Centers around the state that prepares high school students for entering into postsecondary education or directly into a health care career. Students enrolled in a health occupations program must complete academic and technical instruction, which is generally a 360-hour program. Academic instruction includes math, science, and medical terminology. Technical instruction includes practical application and clinical training and leads directly to certification.

The Health Occupations programs offer the most direct path to entry-level health care careers from high school by providing job training to students ages 16 through 21 or in grades 11 or 12. They learn the technical knowledge and skills to either gain advanced placement in apprenticeships, private career schools, 2- and 4-year colleges and universities, or go directly to entry-level employment in the health care industry. All of the entry-level health care careers offered through the health occupations or health sciences careers programs may be considered the first rung of a career ladder.

Students enrolled in a Health Occupations program must take core health courses including anatomy and physiology, medical terminology, and infection control. Students also learn about the legal and ethical issues of providing health care and take communication and leadership courses.

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Comprehensive programs such as a Health Occupations offer many of the important elements that attract and retain students, as demonstrated by the high number of students that continue their education at four-year colleges and universities or two-year community and technical colleges.

All students, but especially academically at-risk students, have a better chance of succeeding in school if they have access to mentoring, counseling, outreach and other supportive services. The Health Occupations programs already provide many of these components. The programs are small and taught by a core set of teachers. The average class sizes run between 15 and 25 students. The curriculum prepares students academically for higher education and the internships provide students with mentors in the community and a sense of pride and accomplishment.

Schools that are not affiliated with a Skills Center or do not offer a Health Occupations program can still offer students guidance toward a health care career and work-based opportunities by providing a health-component of the Health and Human Services Career Pathway (see side bar on Educational Pathways).

Collaborating with schools to provide students with a Health and Human Services career pathway can be an excellent way for local employers, labor, community-based organizations, and higher education institutions to develop the health workforce of the future. Health care providers can provide job shadowing, internships, and mentoring of students. Health Skills panels can be important mechanisms to advance such collaboration.

To recruit enough people to fill all of the health care vacancies requires reaching out to a wide variety of individuals. These include, but are not limited to, recently unemployed or dislocated workers, incumbent workers, individuals with prior training in other states or countries but not licensed in Washington, and military personnel and their spouses preparing to transition into the civilian workforce.

The state's mechanism for individuals seeking new or better jobs is WorkSource. WorkSource, administered by the Employment Security Department at the state level and overseen by 12 local Workforce Development Councils (WDCs), provides one-stop shopping for employment-related services. Assistance includes information about job openings; instruction in how to look for work; career counseling; and assessments of skills, abilities, and interests. The federal Workforce Investments Act is the main source of funding. Services are available to unemployed workers, TANF recipients, incumbent workers who want a better job, and anyone else who wants employment assistance.

Some WDCs have already focused the attention of their WorkSource centers on jobs in health care. For example, the Northwest Health Alliance, which is addressing the health care worker shortage in Whatcom, Skagit, Island, and San Juan Counties has prepared a PowerPoint presentation that provides occupation information such as job openings now and forecasted, wages, and educational requirements. The presentation plays continuously in the Whatcom County WorkSource office. (See Appendix C on local health skills panels.)

More people move into Washington than leave here for other states. Some are coming here as military personnel stationed at one of several bases representing all branches of our military. Some may have worked in a health care job in another state or country before moving here. In some cases the training required in a different country or state, or in a branch of our military may not meet Washington's licensing requirements. The State Department of Health, Division of Health Services Quality Assurance has already begun to address these issues by working with professional Boards and Commissions to review existing licensure requirements for any unnecessary barriers that might hinder recruiting efforts.

Instituting career ladder and training opportunities within health care organizations can help to recruit individuals into entry-level positions and improve retention of existing personnel by providing them with career advancement opportunities, such as going from a CNA to a LPN to an RN. A career ladder identifies what an entry-level employee must do to move up a 'rung of the ladder' to a higher credential and higher paying position. In most cases, the employers also provide support in the form of financial aid and/or allowing a portion of the training to occur on-site.

Many health care employees have financial, family, or other responsibilities that prevent them from pursuing additional training. These individuals are more likely to attend education and training programs that are offered either at the work place or at the school in short modules, and at times that are suitable for working health care personnel. Modular education and training allows employees to climb up the career ladder by taking intermediate steps towards the next rung with the support and recognition of their accomplishments by the employer. Career maps have been developed to help health care workers identify how to move within a career, or to move to a parallel career, such as going from Licensed Practical Nurse to Ultrasound Technologist.

The success of efforts to create career ladders and expand educational capacity in K-12 and higher education depends upon increasing the number of individuals who want to pursue or return to health careers. While there are waiting lists now to get into many education and training programs, in the long-run success requires enticing even more people to want a job in health care.

Some local and national public awareness campaigns have begun to get the message across that there are many great job opportunities in health care. Examples include local efforts such as KIRO's 'Nursing: Making a Difference Every Day,' KOMO's 'Nursing—A Career for Life,' and national efforts such as the Johnson and Johnson 'Discover Nursing' campaign. The public needs to know about available jobs, educational opportunities, financial aid, and career ladders. The Web can be a valuable tool to reach a wide audience. Given the increasing diversity of our state, information needs to be available in a variety of languages. We need to reach out with messages that resound with youth, adults of racial and ethnically diverse populations, new immigrants, people with disabilities, unemployed workers, and other under-utilized populations. Currently, however, there is no statewide coordinated effort to increase public awareness of the shortage of health care workers and the opportunities the shortage creates.

For some individuals, taking advantage of opportunities in health care depends on financial aid for education and training. Washington State has a Health Professions Scholarship and Loan Repayment Program operated jointly by the Higher Education Coordinating Board and the

Department of Health. It is administers state funds and federal Health Resources and Services Administration (HRSA) funds to students training to work in a health care profession. A committee convenes prior to each new funding cycle to determine which health professions should get priority funding, based on shortages.

The program, however, has been unable to serve current student demand. Between 1998 and 2002, the Health Professions Scholarship and Loan Repayment Program received 276 applications for scholarships and awarded 74. It received 193 applications for loan repayment and awarded 92.⁴⁹ In return for a scholarship or loan repayment, graduates must agree to practice for at least three years in a federally designated underserved community.

In rural areas local public hospital districts would like to provide education and training opportunities to recruit health care personnel. Without education and training opportunities provided by local hospital districts, many potential rural health care workers will not have the resources needed to obtain training. Currently state statute is unclear about the ability of public hospital districts to pay for training as a recruitment and retention strategy. Examples include paying for tuition expenses of a student in exchange for the student agreeing to work at the hospital upon graduation for a certain period of time, or paying recruitment related expenses for the family of a prospective new employee.

3.5 Retention and the Workplace Environment

Efforts to increase the number of people entering into health care careers must be complemented by efforts to ensure that people now employed in health care remain there throughout their professional lives. Consequently, efforts to recruit more individuals into the workforce must also address retention.

Workplace retention issues are further discussed in the paper on Retention, Appendix A.

3.6 Information for Future Planning

Although the Task Force has collected ample evidence to document the shortage of health care workers, it is only a snapshot at a point in time and the absence of a state health workforce information system threatens to hamper efforts to measure our progress and address future shortages. A permanent, coordinated information system could collect health workforce data and statistics from various sources, and fill gaps in data collection and analysis, while ensuring appropriate access and use. Currently, no comprehensive health workforce data system exists for the state.

A basic system for health workforce supply and demand information requires four major categories of data:

- ❖ Number and type of health care personnel, by geographic location and employment setting.
- ❖ Statistics on immigration and outmigration of the health workforce.
- ❖ Number of students enrolled and completing health care education and training programs.
- ❖ Employer demand for health personnel as measured by job openings, vacancy rates and difficulty recruiting workers.

In addition to information on health workforce supply and demand, the state also needs information concerning availability of health care professionals in order to assure that people have access to the kinds of care they need. For example, are obstetrics and gynecology services available in rural communities or are patients required to travel great distances? Are dentists working full time? Are registered nurses providing direct patient care or are they working as administrators? Do people covered by Medicare have access to providers who accept Medicare patients?

Data on students and health care personnel's race and ethnicity, gender, and other demographics will be needed to evaluate the effectiveness of efforts to address goals and objectives discussed in this report, and to measure outcomes listed on page xx.

The questions about whether health care employers can find enough qualified job applicants to fill their openings and whether the types of nurses, physicians and other health personnel are available to provide care are different, although there is some overlap. The state needs to examine options to determine whether, or to what extent ongoing data collection and analysis efforts should be created that answer both access and labor market questions, and whether there should be a common data base. This examination requires a comprehensive cross-agency assessment of data needs and existing data collection efforts.

Pending recommendations regarding the best options for ongoing data collection and analysis, there are steps that can be taken now to update information about the health care labor market. Surveys can be conducted on health care personnel to obtain information on the current supply of health care workers. Surveys can also be conducted of health care employers to answer questions about demand. Education data can be examined to better identify the capacity of health care programs. These efforts can get underway now as the State examines the best options for an ongoing data system.

3.7 Empowering Local Communities

Often, the best solutions for addressing the shortage of health personnel are devised and implemented at the local level. While policy-makers in Olympia can make certain actions happen, such as meeting the need to increase funding for higher education enrollments, there are other actions that local communities are better able to provide.

Beginning in 2000, the Workforce Training and Education Coordinating Board has provided federal funding, authorized by the Workforce Investment Act (WIA), to the 12 local WDCs to establish skill panels. Skill panels are partnerships of employers, labor, and education and training providers formed for the purpose of addressing skill shortages in a particular industry or occupational cluster. Eight skills panels have been established in health care.

The health skills panels have been analyzing the labor supply gaps in their local areas and designing plans for addressing these shortages. They have also begun to implement action steps, and have leveraged funds from other sources for implementation. Health skills panels have used WIA funding provided by the Employment Security Department to provide customized training to incumbent workers in order to move up career ladders. Panels have used state funds provided to community and technical colleges to create new health care programs.

Health skills panels that have been operating for over a year in Northwest Washington, Pierce County, Pacific Mountain, Benton-Franklin, and Olympic workforce development areas have already implemented a wide number of initiatives that have positively affected the health personnel shortage in their areas. Newer panels in Seattle-King County, Snohomish County, and Southwest Washington have begun meetings of stakeholders and conducted surveys to identify priority skill shortages. (See Appendix C for additional information on local health skills panels.)

3.8 Providing Leadership to Oversee the Plan

The critical shortage of health care personnel requires that the plan presented in this report be carefully monitored for several years to ensure responsible entities are held accountable for accomplishing their assignments. The 2002 Task Force could be instructed to meet several times each year beginning in 2003 to perform this role, and make further recommendations as changes in circumstances demand, or the state could examine more formal mechanism for monitoring progress.

While the Task Force process in 2002 spurred changes among various state and local entities, and created a state plan for addressing the shortage, it is possible that advances could end here unless there is some formal mechanism to take responsibility for progress in the future. The continuation of a formal entity, such as the current Task Force, would help reassure Washington citizens and businesses that the state will continue to address the health care personnel shortage and implement workforce development strategies to prevent shortages in the future. This is the minimum oversight recommended. We would favor a more formal monetary structure.

Section 4. Recommendations and Outcome Measures

Task Force Recommendations:

Task Force members reached consensus on the following goals and strategies that form a plan to build Washington's health care workforce and alleviate the critical shortage. The plan requires coordinated efforts among health care stakeholders. Strategies that require immediate action are highlighted "priority." The plan notes where state general funds (GF-S) and legislation (L) are required.

Glossary

- **Responsible Entities** are listed after each strategy. These include the Legislature, state agencies, local health skills panels, or public and private partners that are responsible for continuing efforts to accomplish the strategy.
- **High Demand** refers to occupations where employer demand exceeds labor supply.
- **Underserved** refers to federal health professional shortage area designations known as Medically Underserved Areas (MUA's), or Medically Underserved Populations (MUP's).
- **Skills Panels** are health skill panels. As of December 2002, 8 have been established in 12 local workforce development areas. They comprise health care employers, education and training providers, and labor. Their purpose is to identify shortages in their local areas and devise solutions (see Appendix C).
- **Professional Boards and Commissions** refer to the 55 health professions regulated by the Department of Health either through the Secretary or the 16 professional boards and commissions. They are among the responsible entities named for reviewing regulations related to program accreditation, faculty qualifications, clinical training, articulation of programs, apprenticeships, among other issues.
- **Articulation** refers to the recognition by educational institutions of prior education and training that students receive at other educational institutions or on-the-job, and allow these to count as credits towards a certificate, diploma or degree.
- **HECB** is the Higher Education Coordinating Board.
- **SBCTC** is the State Board for Community and Technical Colleges.
- **OSPI** is the Office of Superintendent of Public Instruction.
- **AHECS** are Area Health Education Centers. They exist across the United States and receive both federal and state funding. Washington has AHEC centers in western and eastern Washington. Their mission includes providing linkages between health care delivery systems and educational resources in underserved communities.

Goal 1. Increase educational capacity and efficiency in health care training programs to enable more people to gain qualifications to work in health care occupations.

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Objective 1.1: Increase funding and continue to reallocate resources to provide more capacity in new and current health care education and training programs.

- ****PRIORITY STRATEGY**** Increase current funding and support new funding initiatives that increase the capacity of high demand health care programs, taking into account the higher costs of these programs. Give priority to programs situated in medically underserved areas. (GF-S)
Responsible entities: The Legislature, SBCTC, HECB, four-year colleges, and universities.
- Develop apprenticeship opportunities in health care.
Responsible entities: Department of Labor and Industries, labor, employers, Department of Health, Professional Boards, and Commissions.

Objective 1.2: Increase the availability, diversity and retention of health care faculty in high demand health care programs that have difficulty recruiting faculty.

- ****PRIORITY STRATEGY**** Increase the flexibility of faculty salary allocations to provide health program faculty with compensation that is competitive with industry wages. (GF-S)
Responsible entities: The Legislature, SBCTC, HECB, four-year colleges, universities, labor, and employers.
- ****PRIORITY STRATEGY**** Provide additional financial support, such as scholarships and loan repayments for students who intend to become health care *faculty* for high demand health care programs experiencing faculty shortages. (GF-S)
Responsible entities: The Legislature, SBCTC, HECB, Department of Health, four-year colleges and universities, private partners or foundations.
- ****PRIORITY STRATEGY**** Implement faculty sharing arrangements among providers or among industry and education providers.
Responsible entities: Health Skills panels working with employers, labor, and education institutions.
- Develop alternate pathways to gain teaching qualifications for nursing faculty and other health program faculty.
Responsible entities: Professional Boards and Commissions, Department of Health, SBCTC, four-year colleges, and universities.
- Provide financial and other incentives to employers or self-employed professionals for providing faculty resources, e.g. tax incentives and increased reimbursement rates. (L) (GF-S)
Responsible entity: The Legislature.

Objective 1.3: Increase clinical training capacity.

- ****PRIORITY STRATEGY**** Coordinate clinical training sites for nursing and allied health professions.
Responsible entities: Health Skills panels working with employers, labor and education providers, Area Health Education Centers.

- Provide financial and other incentives to employers or self-employed professionals for providing clinical training resources: sites and faculty supervision. (L) (GF-S)
Responsible entity: The Legislature.
- Identify and eliminate barriers to expanding clinical capacity, and to expand opportunities for training, testing, and certification through multiple delivery modes such as distance learning, and at multiple sites (e.g., the workplace), and make recommendations to state and national accreditation bodies.
Responsible entities: Professional Boards and Commissions, Department of Health, education institutions, Area Health Education Centers.

Objective 1.4: Increase efficiency and maintain quality of health care education and training programs to enable students to complete programs in a shorter time span and to reduce program costs.

- Develop and implement “common core” health care curricula, where appropriate.
Responsible entities: SBCTC, HECB, four-year colleges and universities, OSPI, Department of Health and professional boards and commissions.
- Expand articulation among health care programs based on competencies learned in a variety of education and training settings, including on-the-job and in the military, assuming quality standards are maintained. (See Goal 4 for education and training modules strategy that leads to promotion within the workplace.)
Responsible entities: Health Skills panels, SBCTC, HECB, OSPI, four-year colleges and universities, Department of Health.
- Improve program completion rates by blending basic skills including English as a Second Language, and occupational skills, adjusting instructional methods, incorporating cultural awareness, and improving support services.
Responsible entities: SBCTC, four-year colleges and universities, community-based organizations.

Goal 2. Recruit more individuals, especially targeted populations* into health care occupations, and promote adequate preparation prior to entry.

Objective 2.1: Provide more opportunities for people to enter health care careers.

**The following recommendations focus on underserved populations such as rural communities; racially and ethnically diverse youth and adults; men and women; disabled, new immigrants, dislocated and incumbent workers; and military personnel:*

- Expand and/or leverage financial aid for individuals pursuing health care training, and disseminate information on available financial assistance. (GF-S)
Responsible Entities: Legislature and/or private companies, Higher Education Coordinating Board, employers, foundations, local Health Skills Panels.

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- Support proposed changes to regulations that allow more individuals to enter or re-enter health care, and identify refresher courses and/or alternative opportunities that recognize prior training and experience for obtaining licensure.
Responsible entity: Department of Health working with health professional boards and commissions.
- Encourage state agencies to allow flexibility of regulated health care entities in developing recruitment and retention programs that work effectively for their communities.
Responsible entity: Department of Health working with Association of Washington Public Hospital Districts.

Objective 2.2: Raise awareness of opportunities in health care careers, and provide information on technical and financial resources available for training.

- Establish career ladder opportunities in health care through collaboration among employers, labor, and education.
Responsible entities: Local Health Skills panels, Department of Health, Professional Boards and Commissions, professional associations.
- Train frontline WorkSource staff to inform unemployed workers or transitioning individuals (e.g., military) of opportunities in health care careers, including providing information on required courses, referrals to appropriate programs and available resources.
Responsible entities: Employment Security Department and Local Workforce Development Councils.
- Create smooth transitions for military trained personnel to enter the civilian workforce.
Responsible entities: Local Health Skills panels working with the military and education providers.
- Develop a statewide healthcare marketing plan to raise awareness of the wide range of career opportunities. Communicate the plan in a variety of languages and ways.
Responsible entities: Private foundations and associations, community-based organizations.
- Create and promote a web site that demonstrates different jobs in healthcare, the coursework required for each job, schools that provide that education, and sources of possible financial aid. Career Mapping templates should identify multiple points of entry and advancement, including places along path that allow crossover to other health professions.
Responsible entities: Private foundations and associations.

Objective 2.3: Promote K-12 programs that provide opportunities to explore a variety of health care careers and prepare students academically so they can complete postsecondary health sciences programs.

**The following recommendations target K-12 Students and their families:*

- Support local school districts and communities in strengthening primary and middle school students' math and science skills and in building health science career programs in high schools, including increasing the number of work-based learning opportunities for students,

creating health care-focused mentoring programs, increasing the number of core health science and math programs, and increasing the number of programs that lead to industry certification and employment in health care careers.

Responsible entities: OSPI working with local school districts and boards, higher education, community based organizations, local camps, health care employers, local workforce development councils, local youth development councils, the Area Health Education Centers, and labor organizations.

- Support efforts of local school districts, communities and higher education institutions to raise student achievement in math and science to assure students are prepared for post-secondary studies in health sciences programs.

Responsible entities: (as above).

- Identify and maximize opportunities to provide students and their families, equitable access to academic assistance and resources needed to pursue a career in health care.

Responsible entity: (as above)

Goal 3. Develop a data collection and analysis system to assess health workforce supply and demand.

- Conduct a comprehensive cross-agency assessment of data needs, existing data collection efforts and opportunities for collaboration and reduction of duplication.

Responsible entities: Department of Health and Workforce Board working with health stakeholders.

- Analyze the options for creating and maintaining an ongoing coordinated data system for information on both access to health care professionals, and labor market demand and supply.

Responsible entities: Department of Health and Workforce Board working with health stakeholders.

- Collect workforce supply information through methods such as surveys of licensed professionals.

Responsible entities: Department of Health and Workforce Board working with Health Stakeholders.

- Collect workforce supply information for non-credentialed health personnel.

Responsible entity: Workforce Board working with Department of Health and health stakeholders.

- Collect data on students, enrolled and completing health care programs at high school, two-year and four-year public colleges, private career schools, and programs based at hospitals and long-term care facilities.

Responsible entities: Workforce Board working with Department of Health, four-year colleges and universities, SBCTC, OSPI.

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- Collect demand data by surveying health care employers.
Responsible entities: Workforce Board working with Department of Health and health stakeholders.
- Analyze workforce supply and demand information for health professionals.
Responsible entities: Workforce Board and Department of Health working with research universities.

Goal 4. Retain current health care workers.

- Expand customized training opportunities for incumbent workers that enable them to move up a career ladder or move to other high demand health occupations.
Responsible entities: The Governor and the Employment Security Department.
- Develop education and training modules that allow health care personnel to complete training in incremental steps, leading to recognized promotions and increases in wages.
Responsible entities: Health Skills panels, SBCTC, HECEB, OSPI colleges and universities, Department of Health.
- Develop other career mobility strategies within health care organizations, maximizing training opportunities and leveraging funds within regions and among employers and educators for this purpose.
Responsible entities: Health industry, Education and Training Providers.
- Reduce paperwork where possible by changing state regulations, department and agency directives, and implementing new technology.
Responsible entities: DSHS, Department of Health, Health industry.
- Implement strategies to enhance the workplace environment (see Appendix A).
Responsible entities: Health employers and labor.

Goal 5: Enable local communities to implement strategies to alleviate the health care personnel shortage in their areas.

- ****PRIORITY STRATEGY**** Provide continuing support to current Health Skills panels and expand the formation of Health SKILLS panels to cover all 12 workforce development regions.
Responsible entity: The Workforce Board.
- Facilitate communication among local Health Skills panels to enable coordination of efforts, and to communicate with state entities and the legislature.
Responsible entity: The Workforce Board.

Goal 6: Develop a mechanism to ensure continued collaboration among stakeholders, track progress, create accountability for fulfilling this plan, and to plan for future health workforce needs.

- At a minimum, reconvene the Task Force twice a year to establish an ongoing mechanism comprised of key stakeholders to oversee the Task Force recommendations, and hold responsible entities accountable. (L)
Responsible entity: Workforce Board
- Explore more formal mechanisms for monitoring the progress of the Task Force recommendations.
Responsible entity: The Legislature.

Outcome Measures to Track Progress

In order to evaluate the success of these strategies it is necessary to track our progress. The Task Force formulated outcome measures that provide a means for tracking progress and for holding responsible entities accountable. Each outcome measure may apply to one or several of the goals and strategies. The most obvious measure for tracking progress is the number of students completing health care programs. By tracking this and other measures over time, it will be possible to assess progress and alter goals and strategies to be responsive to future health workforce needs.

Outcome measures:

1. The number and diversity of students enrolled in health care education and training programs.
2. The number and diversity of students completing health care education and training programs.
3. The number and diversity of students training to become faculty in health care education and training.
4. The amount of additional funds allocated to increase educational capacity in health care education and training programs.
5. The establishment of an ongoing system for data collection and analysis.
6. The establishment of a campaign to market health care careers.
7. The establishment of a web site to provide health care training/career mapping and financial aid information.
8. The numbers of Workforce Development Councils that have established health care Skills panels.
9. Turnover rates for health care personnel.
10. The level to which health workforce diversity reflects the diversity of the populations served.
11. The numbers of incumbent health care workers receiving training to move up a career ladder.
12. The number of high schools offering health science programs, and the number of these that lead to certification.
13. The proximity of supply to demand of health care personnel.
14. The number of strategies in this plan that are successfully implemented.
15. The creation of a formal mechanism that oversees the implementation of Task Force recommendations, and holds responsible entities accountable.
16. Commitment by the Governor and legislature to target health professions education at the true cost.

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⁹ Troy Huston, Taya Briley, *Who Will Care for You?: Washington’s Hospitals Face a Personnel Crisis*, Washington State Hospital Association and the Association of Washington Public Hospital Districts, 2002, page 12.

¹⁰ Ibid, page 11.

¹¹ U.S Department of Health and Human Services, Bureau of Health Professions, Health Resources and Services Administration, *HRSA State Health Workforce Profiles: Washington*, page 4.

¹² Workforce Education and Training Coordinating Board, *Washington’s Economy*, January 2002.

¹³ Email communication with Robyn Henderson, Vice President, Program Services, National Rural Health Association, April 2002.

¹⁴ The Network began meeting in March 2002 to follow up on the State Board of Health’s Committee on Health Disparities’ Final Report recommendations on reducing health disparities by improving health workforce diversity. The Network is chaired by Judy Huntington of the Washington State Nurses Association and Dr. Charles Weatherby of the Washington State Medical Association, and is made up of representatives from organizations, agencies, foundations and associations interested in diversifying the health workforce. (See <http://www.doh.wa.gov/sboh/Priorities/disparities/disparities.htm> for more information and the State Board of Health’s Final Report on Health Disparities).

¹⁵ Acute care hospitals are state hospitals (not federal hospitals) that provide a full range of health services.

¹⁶ Center for Health Workforce Studies, University of Washington, Data Snapshots available at <http://www.fammed.washington.edu/CHWS>.

¹⁷ U.S. Department of Health and Human Services, Health Resources and Services Administration, Bureau of Health Professions, National Center For Health Workforce Analysis, *Projected Supply, Demand, and Shortages of Registered Nurses: 2000-2020*, July 2002, page 18.

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²¹ This problem is significantly compounded by the fact that most rural hospitals in Washington State are public hospital districts and as such are presently limited (due to a recent statutory interpretation by certain state agencies) in their ability to engage in even the most common recruitment practices found at private hospitals. Email Communication with Taya Briley, Association of Washington Public Hospital Districts, December 2, 2002.

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²⁵ William E. Fassett, Ph.D, Dean Washington State University College of Pharmacy, Sidney D. Nelson, Jr., Ph.D., Dean, University of Washington School of Pharmacy.

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- ²⁶ Ibid 1.
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- ²⁸ Email communication with Dr. Bill Fassett, WSU School of Pharmacy October, 2002.
- ²⁹ Ibid 1.
- ³⁰ Elective surgeries are not optional, they are scheduled, non-emergency surgeries.
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- ³² Linda H. Aiken PhD, RN , Sean P. Clarke PhD, RN, Douglas M. Sloane, PhD, Julie Sochalski, PhD, RN, Jeffrey H. Silber, MD, PhD, *Hospital Nurse Staffing and Patient Mortality, Nurse Burnout, and Job Dissatisfaction*, Journal of American Medical Association, Vol 288, October 23/30, 2002.
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- ³⁶ Workforce Training and Education Coordinating Board, *Our Changing Labor Force*, 2001.
- ³⁷ Center for Health Workforce Studies, Data Snapshots: <http://www.fammed.washington.edu/CHWS>. For example, only 0.5 percent of Dental Hygienists, 1 percent of physicians, 1.1 percent nurse practitioners are Black/African American compared to 3.2 percent Black/African American population in Washington. Only 1.7 percent of Dental Hygienists, 2 percent of Physicians, and 1.6 percent of Nurse Practitioners are Hispanic compared to 6 percent Hispanic population in Washington.
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- ³⁹ See studies cited in State Board of Health report, Joe Finkbonner, R. Ph., M.H.A., the Honorable Margaret Pageler, J.D., Vickie Ybarra, R.N., M.P.H., *Final Report State Board of Health Priority: Health Disparities*, Committee on Health Disparities, May 2001
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- ⁴⁵ No similar grant program is available to baccalaureate institutions.
- ⁴⁶ Students who participate in programs that combine basic skills with occupational skills have better wage and employment outcomes post course completion. Workforce Board, Workforce Training Results, 2002.
- ⁴⁷ Susan Skillman, Deputy Director Center for Health Workforce Studies, presentation to the Health Care Personnel Shortage Task Force, September 4, 2002
- ⁴⁸ Workforce Training and Education Coordinating Board, Job Training Results Data aggregated for health care employment rates. In 1998-2000 employment rates in the third quarter after program completion demonstrated health education and training programs had employment rates that were consistently higher than for most other programs. It should be noted that this does not include employment outside the Pacific Northwest, and does not include baccalaureate programs. The highest employment rates were for Dental Hygienists–96 percent, Diagnostic Medical Sonography–94 percent, Nuclear Medical Technology–92 percent, Radiation Therapy Technology– 2 percent, Radiology Technology–91 percent, Dispensing Optician–90 percent, Histologic Technology–88 percent,

Surgical/Operating Room Technician–87 percent, Physical Therapy Assistant– 7 percent, Associate Degree Nursing–86 percent, Biological Laboratory Technician–84 percent, Cardiac Invasive Technician–84 percent, Practical Nursing–84 percent, Medical Laboratory Technician–83 percent, Pharmacy Technician/Assistant–83 percent, Dental Assistant–83 percent.

⁴⁹ Washington State Department of Health, Office of Community and Rural Health.

Appendix A

WORKFORCE RETENTION

Efforts to increase the number of people entering into health care careers must be complemented by efforts to address workplace retention issues. Some of the professions experiencing the greatest shortages are also the ones experiencing difficulty in retaining workers. Many studies and surveys document the nursing shortage and identify an array of complex factors contributing to the shortage, including the workplace. Unfortunately, there has not been the same effort to document and explain the shortages in allied health and the other health professions. There are, however, strong similarities between nursing and allied health, especially when describing the work environment. Health care workers consistently describe the workplace as highly pressured and difficult, many are thinking of leaving their jobs. Consequently, any efforts to recruit more individuals into the workforce must also address retention.

Worker Turnover

Washington State's nursing homes are the hardest hit when it comes to retaining nurses. According to a national survey, Washington nursing homes are experiencing turnover rates ranging from 38 to 95 percent for essential nursing staff¹ (see Table 1). Our hospitals recently reported a turnover rate of about 17 percent for staff registered nurses.(ref CHWS) Of the Washington hospitals surveyed, nearly 54 percent of the urban hospitals reported increased turnover in the past year.² To make matters worse, a national survey of nurses found that one in three nurses under the age of 30 plans to leave the profession within a year.³

TABLE 1
TURNOVER RATES OF NURSING PERSONNEL
IN WASHINGTON STATE NURSING HOMES

Nursing Personnel	Annualized Turnover Rates
Directors of Nursing	49.6%
Administrative RNs	38.0%
Staff RNs	69.3%
Licensed Practical Nurses	54.2%
Certified Nursing Assistants	95.1%

Source: Health Services Research and Evaluation, American Health Care Association, *Results of the 2001 AHCA Nursing Position Vacancy and Turnover Survey*, February 7, 2002.

A survey of Washington clinical laboratories found that the reason technical employees (MT/CLS, MLT/CLT, Cytotechnologist, and Histotechnologists) leave their jobs is “for better pay.” The majority of laboratories surveyed require overtime to cover vacant positions until new personnel can be hired—usually a three month process. The main reason positions remain vacant for more than one month is “insufficient applicant pool.”

National healthcare-related associations and organizations such as the American Hospital Association (AHA), the American Nursing Association (ANA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and the Service Employees International Union (SEIU) have recently released reports addressing worker retention. In addition, state and local healthcare professional organizations such as the Washington State Hospital Association (WSHA), the Washington Nursing Leadership Council, the Washington Health Foundation, and the Washington State Clinical Laboratories Advisory Council have also begun addressing the

health care worker shortage and workplace retention issues. Along with recruiting more people into health care, these professional organizations recommend improving the workplace environment so that, once hired, they stay.

Contributing Factors

Several national nursing surveys, conducted in recent years, point to a growing sense of job dissatisfaction among hospital nurses. Many of the same issues reported in the nursing surveys are applicable to the non-nursing health care workforce as well. A study conducted by Peter D. Hart Research Associates found the top reason why nurses leave, besides retirement, is to seek a job that is less stressful and less physically demanding. Additional reasons are more regular hours, more money, and better advancement opportunities. When practicing nurses were asked to identify the biggest problem with nursing, respondents cited understaffing (39 percent) and the stress and physical demands of the job (38 percent).⁴ This same group overwhelmingly reported that the most enjoyable aspect of nursing is helping patients and their families. The majority of nurses (74 percent) said they would stay at their jobs if the work environment improved. Increased staffing, less paperwork and fewer administrative duties were identified as the top three changes they would like to see made.⁵

According to the 2000 National Sample Surveys of Registered Nurses, employed in hospitals, are the least satisfied among all nursing positions. Across all settings (hospitals, nursing homes and public health), one of every three reported that they were dissatisfied with their current job in 2000.⁶ Staff nurses bear much of the responsibility for coordination and continuity of care, yet they reported having little control over or support for many aspects of their jobs.⁷

These findings have motivated several hospitals across the country to adopt the Magnet Hospital Program, which encourages participation of staff at all levels. The program offers competitive salaries and benefits; and promotes a positive image of its staff as professionals who provide quality care and are involved with their communities as providers of health care and as teachers.⁸ The American Nurses Credentialing Center (ANCC) magnet hospital program, inspired by the original magnet hospitals, established the Magnet Services Recognition Program to recognize hospitals that had achieved excellence in providing nursing services.⁹ The characteristics of ANCC magnet hospitals include high nurse-to-patient ratios, substantial nurse autonomy and control over the practice setting, positive nurse and physician relationships, nurse participation in organizational policy decisions, and strong nursing leadership.¹⁰ The nurses working in these hospitals report increased satisfaction, increased perception of giving higher quality of care, and an increased perception of productivity. The hospitals report increased RN retention rates, increased ability to attract and retain nurses, and lower rates of nurse burnout.¹¹ To date, the ANCC program has certified over 50 hospitals in the United States.

Paper instead of Patients

The amount of paperwork required for each patient is overwhelming. A study commissioned by the American Hospital Association found that for every hour of patient care, 30-60 minutes were spent on required paperwork¹² (see Table 2).

TABLE 2
THE PAPERWORK BURDEN

Care Setting	Every Hour of Patient Care Requires
Emergency Room	1 hour of paperwork
Surgery & Inpatient Acute Care	36 minutes of paperwork
Skilled Nursing Care	30 minutes of paperwork
Home Health Care	48 minutes of paperwork

Source: Pricewaterhouse Coopers survey of hospitals and health systems

According to the AHA report, although some of this paperwork is directly associated with clinical care, there has been a significant increase in paperwork needed to document regulatory compliance. This administrative burden, driven by complex rules and regulations, shifts the focus from patient care to paperwork and affects all who provide health care or services. To put this in perspective, more than 100 federal regulations affecting health care have been adopted since 1997. On top of these new federal regulations the state government has also passed a multitude of new regulations and agency directives, some of which conflict with the federal regulations.

The Staffing Challenge

The health care personnel shortage has made it extremely difficult for medical and clinical facility directors to adequately staff their facilities. Inadequate staffing in health care facilities has a ripple effect throughout the health care system. When nursing homes are inadequately staffed and cannot accept new patients, hospitals frequently must keep patients who would usually be discharged to nursing homes.¹³ This in turn results in fewer resources (beds and staff) for new patients. Depending on the reason for their hospitalization, these new patients might be diverted to another hospital or be put on a waiting list until staff or a bed is available. A shortage of radiology or laboratory technicians can lead to delays in diagnosing illnesses. In a study commissioned by the American Hospital Association, respondents reported that the nursing shortage has caused emergency department overcrowding in their hospitals (38 percent); diversion of emergency patients (25 percent); reduced number of staffed beds (23 percent); discontinuation of programs and services (17 percent); and cancellation of elective surgeries (10 percent).¹⁴

Health and Safety on the Job

Health and safety have always been a particular concern for health care workers. A recent study by the American Nurses Association found that more than 70 percent of nurses indicated that continuing severe stress and overwork were among their top health-related concerns. Forty percent of nurses reported having been injured on the job; 17 percent experienced physical assaults while working and 75 percent of the nurses surveyed stated that unsafe working conditions interfere with their ability to provide quality care. Nearly 90 percent of the nurses indicated that health and safety concerns influence the type of nursing work they do and their likelihood to continue to practice.¹⁵

National Efforts

As bad as it is, this problem is not unsolvable. Nurses and other health care providers want to do the jobs they were trained to do. They want the focus of their job to be caring for patients and supporting families, which is what they do best. They want to have the time to provide quality care and they want to work in a safe environment. There are many professional organizations and industry leaders recommending ways to improve workplace retention.

Recently Congress passed the Nurse Reinvestment Act, which recognizes retention as a critical component in solving the nursing shortage. Two provisions contained in the Act specifically address workplace retention: A provision that provides grants to health care facilities to implement the ANCC Magnet Recognition Program; and a provision that provides grants to hospitals to establish career ladder programs.

The JCAHO, well known for its large volume of paperwork required of hospitals to prove compliance with its standards, recently launched an in depth review of its hospital standards and requirements for demonstrating compliance with those standards. As a result of this work, JCAHO has developed new standards to help health care organizations assess their staffing effectiveness. The tool provides facilities with an objective and evidence-based approach to assessing the number, competency and skill mix of their staff by linking staffing effectiveness to clinical outcomes. The standards are effective for hospitals beginning July 1, 2002. Similar standards are being developed for long term care, assisted living, home care, ambulatory, behavioral health care, and laboratory settings. The JCAHO has also promised to take major steps in reducing the documentation burden of their accreditation process.¹⁶

Other State Efforts

To date, five states have reported that they have initiatives on job redesign for health workers, including nurses and certified aides. These include support for demonstrations and evaluations, and/or best practices conferences.¹⁷ In addition, several states have passed legislation prohibiting or limiting mandatory overtime and one state (California) has passed legislation mandating minimum nurse staff ratios in hospitals and nursing homes.¹⁸

The Texas Board of Health revised its hospital nurse staffing rules based on recommendations put forward by the Texas Nurses Association and the Texas Hospital Association. The rule now requires that hospitals implement a staffing plan.¹⁹

Other state efforts to improve retention include wage pass-throughs; rate increases; shift differentials; bonuses and other assistance (e.g., insurance, childcare); staffing standards; and recognition programs.²⁰

Washington State

Washington State has made important progress in improving the workplace environment for health care personnel. In May 2000, Washington implemented the "Ergonomics Rule" that will begin with nursing homes. The guidelines were released in April 2002. This past spring the state passed legislation regarding mandatory overtime for nurses.

The Washington Health Foundation has received a \$1 million federal grant for nursing retention. With this funding the Foundation plans to conduct a survey on nursing retention of 20,000 RNs from hospitals and skilled nursing facilities, which will be done through a partnership with the WSHA. The results of the survey are expected to lead to additional projects including a program on mentoring at Affiliated Health Services and providing 32 scholarships to attend a leadership institute for mid-level nurse managers.

There is Much Work to be Done

There are additional opportunities to help employers retain their health care workers. Washington State agencies can begin reviewing state regulations and agency directives and removing any that lead to duplicative or unnecessary paperwork. Additionally, some employers have begun to form retention committees.

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¹⁶ Joint Commission on Accreditation of Healthcare Organizations, *Facts about staffing effectiveness standards*, 6/02.

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¹⁹ Texas Nurses Association Website: www.texasnurses.org.

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Appendix B

How Are Other States Responding the Health Personnel Shortage?

The health personnel shortage is a national problem. According to an interim report by the Center for Health Workforce Studies at the University of Albany other states are engaging in a variety of response to the shortage, such as forming task forces and commissions, increasing scholarship and loan repayment programs, and providing incentives to increase workplace retention.¹ The Center surveyed health departments, workforce development, labor, and education departments, and governors' offices, in all 50 states, the District of Columbia and Puerto Rico. In addition, staff reviewed state web sites and did follow-up interviews with state officials for information on efforts to address health workforce shortages. The survey did not include questions about educational capacity of health care programs.

Task Forces and Commissions

Forty-seven states have convened Task Forces, Committees or Commissions (includes Washington). In a few states, commissions led to more permanent responses to address workforce shortages or state law and policy changes. Most states are still deliberating and policy responses are in the formative stages.

Incentives for Education and Training, Scholarship and Loan Repayment

Forty-two states reported renewed attention to scholarship and loan repayment programs. Twenty-five states targeted a broad array of health professionals (dentists, dental hygienists, and pharmacists), twenty-nine states specifically targeted registered nurses, and twenty-seven states targeted physicians. Other strategies to expand the pipeline include increasing education and training capacity; expanding scholarship and loan repayment programs; developing career ladders; implementing faculty improvements; conducting out of state/foreign recruitment; and launching media and web-based career campaigns. Ten states have training and education initiatives that utilize H1-B Visa grants and the Workforce Investment Act (includes Washington). Several states have tapped Temporary Assistance to Needy Families (TANF) funding.

Workforce Data Collection

Thirty-one states collect health workforce data. Most states survey their health professionals at the time of licensure or renewal, although some states regularly conduct provider needs assessments and collect data via surveys. State agencies are the entities primarily responsible for collecting health professional data but in some states task forces, research centers, Area Health Education Centers (AHECs), or professional associations collect the data.

¹ National Academy for State Health Policy, Presentations at the session on health workforce shortages, August 4, 2002. Center for Workforce Studies at the University of Albany reviewed state responses to health workforce shortages. The Center surveyed key state organizations, governors' offices as well as health, workforce development, labor, and education departments in all 50 states, the District of Columbia and Puerto Rico. In addition, staff reviewed state web sites and did follow-up interviews with state officials for information on efforts to address health workforce shortages. This comprehensive study resulted in an interim report, "State Responses to Health Workforce Shortages."

Health Career Marketing

Twenty-seven states have initiatives to market health careers; eleven states indicated AHECs administered many of the initiatives, especially those targeting youth.

Career Ladders and Workforce Retention

Twelve states and Washington, DC have developed or are developing career ladder programs targeting nursing. Other activities are improving workplace retention through wage pass-throughs; rate increases; shift differentials; bonuses and other assistance (insurance, childcare, etc) work force redesign; minimum staffing ratios/staffing standards; and recognition programs. Five states have job redesign initiatives for health workers, including nurses and CNAs. These initiatives include support for demonstrations, evaluations and best practice conferences. Several states have passed legislation prohibiting or limiting mandatory overtime and one state (California) has passed legislation mandating nurse ratios in hospitals and nursing homes.

Other initiatives

Some states are implementing initiatives to improve productivity such as reducing paperwork. In an attempt to reduce the need for health care, some states are focusing on prevention and promoting healthy behaviors. Other system changes include conducting analysis and evaluation of programs and initiatives; and mandating collaboration and coordination among departments of labor, education, health, human resources, and welfare to work programs.

State Highlights

Minnesota: Continuation of Efforts

Minnesota's *Health Professions Workforce Partnership* added local partners from 11 communities in 2001 to develop solutions to the health shortage. The state increased the number of individuals receiving financial assistance and loan forgiveness programs, and the amounts available. This pertains to the *Medical Education and Research Costs* program and the *Graduate Medical Program*. The state created a health career information website for both educational and employment opportunities and developed a core curriculum for a health career ladder program. Minnesota began collecting health workforce data coordinated with licensing in the 1990's. Ongoing data reports help the state to measure progress and inform planning for health workforce needs. New initiatives include a university-sponsored *Health Workforce 2013* redesign project, an H1-B grant for training incumbent workers and data collection changes that will improve regional planning and emergency preparedness.

Georgia: System Changes

Georgia established a short-term workforce committee in late 2001. The committee report, *Code Blue*, led to legislation that created an ongoing health workforce shortage committee with subcommittees on education, data and forecasting, work environment and productivity, and recruitment and marketing. Committee accomplishments include increasing the health careers loan program; funding a research project that evaluates educational capacity and innovation; increasing the nursing faculty loan program; developing a bridge from certified nursing assistant to licensed practical nurse to registered nurse; and creating private sector scholarships. They also created a Data Consortium to oversee a data research center, and funded regional forums and a workforce environment and productivity report. Recruitment and marketing initiatives include the *Teach Academy*, health care summer camps and youth training, a health workforce website, and a health care careers media campaign and manual.

California: Nurses and Direct Care

In 2001 California launched the *Long-Term Care Council*, the *Aging with Dignity Initiative*, and two *Caregiver Training Initiatives* and provided additional funds in 2002. A five-year, grant of state and local funds supports the *Los Angeles Health Care Workforce Development Program*. The *Nurse Workforce Initiative* received a three-year grant for training, education capacity, media, and prerequisite standardization. In addition, the state established linkages among the Office of Statewide Health Planning and Development, the Employment Development Department and the Employment Training Panel.

New York: Healthcare Workforce Recruitment and Retention Act

In 2002, the New York State legislature allocated \$1.85 billion to ensure an adequate supply of healthcare workers. The funds supported Medicaid rate add-ons and grant programs for disadvantaged hospitals, nursing homes, home health care services and clinics. The state share is \$774 million; federal and local funds total \$1.1 billion. Resources to fund the initiative include a cigarette tax increase, a covered lives assessment, increases in federal upper payment limits, and Medicaid match and funds from a Blue Cross/Blue Shield conversion to a for-profit company. Anticipated savings include \$694 in state funds from a shift in public health costs.

Texas: Nursing Shortage Solutions

A rider in the 2002 appropriations bill included monies for a Nursing Growth carve-out. Community colleges were allocated \$5 million a year; \$5.6 million for Universities' and \$723.7 thousand for public nursing programs in health science centers. The Tobacco Settlement funds (\$4.05 million) were allocated for recruitment and retention and increasing pay for faculty overloads for both private and public nursing programs. The Texas Medical Association, the Texas Nursing Association, and the Texas Hospital Association Coalition on Workplace Issues created a "Zero Tolerance" policy on physician abuse of RNs.

Maryland: Nursing Legislation

Maryland increased its nursing scholarship award and allowed nurses to receive more than one state scholarship and be charged in-county tuition for out of county programs. In addition the state increased its Medicaid budget by \$25 million to increase long-term care nursing staff salaries. A Nursing Support Program provides \$6 million to hospitals for nursing recruitment and retention.

Advice from Other States

The current shortage is not a short-term problem. Policy makers should expect shortages to be on state agendas for many years to come. It is important to consider the whole system. Accurate workforce data is important for appropriate planning, monitoring progress, and evaluating ongoing efforts. Workforce initiatives should include increasing diversity, bioterrorism and emergency preparedness. Workforce and workplace issues are inter-related, however, retention and productivity issues are politically difficult and scope of practice issues can derail other efforts. Collaboration and coordination among players is key; one agency or organization must lead the effort.

Appendix C

Local Health Skills Panels

Alleviating the Health Care Personnel Shortage in Local Areas

Collaboration between the health industry and educators is vital for solving the health care personnel shortage. Skills Panels in health provide an effective avenue for implementing change at the local level. Since 2000, the Workforce Training and Education Coordinating Board has issued SKILLS (Securing Key Industry Leaders for Learning Skills) grants to workforce development councils¹ for the purpose of supporting skills panels that are working partnerships between industry and education. Each skills panel addresses skills gaps for a particular industry cluster such as health, technology or food processing. Eight workforce development councils have established skills panels in health with the main purpose of identifying health personnel shortages in their areas, and, designing and implementing solutions.

Eight Health Skills Panels in Washington

Workforce Development Areas (Counties) (See map on page C-3)	Health Skills Panel
Benton-Franklin (Benton and Franklin)	Benton Franklin Community Health Alliance
Northwest Washington (Whatcom, San Juan, Skagit, and Island)	Northwest Alliance for Health Care Skills
Olympic (Clallam, Jefferson, and Kitsap)	Olympic Health Care Alliance
Pacific Mountain (Grays Harbor, Lewis, Mason, Pacific, and Thurston)	Pacific Mountain Health Care Partnership
Tacoma-Pierce County (Pierce)	Pierce County Health Services Careers Council (PCHSCC)
Seattle-King (King)	Healthcare Industry Panel
Snohomish (Snohomish)	Snohomish County Health Care Industry SKILLS Panel
Southwest Washington (Clark, Cowlitz, Skamania, and Wahkiakum)	Southwest Washington Allied Health Care Skills Panel
Note: As of December 2002, Health Skills panels were not established in the Tri-Counties, Spokane, North Central or Eastern Washington workforce development areas.	

Funding Sources

Apart from the initial SKILLS grants from the Workforce Education and Training Coordinating Board, health skills panels have received funding from other sources:

- The State Board for Community and Technical Colleges - To expand or establish health care education and training programs.

¹ The federal Workforce Investment Act of 1998 required that each state establish local workforce investment boards, known in Washington as *Workforce Development Councils*. Washington has 12 Workforce Development Councils that are each comprised of a majority of business representatives, with education, and labor representatives. These councils fulfill the state strategic goals for workforce development at the local level.

- The Employment Security Department - To train incumbent workers in health care occupations.
- The U.S Department of Labor - To train incumbent workers in health care occupations.
- Local Workforce Development Councils - To expand capacity in local health care education and training programs.
- Local industry - To support various initiatives
- The Governor's Office to establish or expand programs that prepare students for health care occupations.

See "Outcomes at a Glance" on page C-4 for information on skills panel, State Board for Community and Technical College and Employment Security grants.

Health Skills Panels Initiatives

Recently established health skills panels in Seattle-King, Snohomish, and Southwest WDCs are at the beginning stages of identifying occupations with the most severe shortages by assessing local labor market information and conducting local employer surveys. Health skills panels in Tacoma-Pierce, Northwest, Olympic, Pacific Mountain and Benton-Franklin WDCs have begun implementing initiatives that have primarily focused on:

- Increasing educational capacity of nursing and allied health programs.
- Increasing clinical training capacity.
- Creating career mobility by providing training opportunities for incumbent workers to move up the career ladder.
- Developing recruitment strategies to encourage more students to enter health care education and training.

Increasing Educational Capacity: Examples

- In 2002, the Tacoma-Pierce County WDC dedicated a total of \$1.3 million federal Workforce Investment Act funding allocations to support the expansion of local health care training programs. The local healthcare industry has committed \$700,000 in cash and equipment to develop, sustain, and increase high demand training and healthcare employers have paid for staff time to teach in training programs. For example, MultiCare has employed a Clinical Coordinator to supervise LPN students from Bates Technical College during their on-site training at Tacoma General Hospital.
- The health skills panel in Pacific Mountain WDC received \$850,000 from Employment Security to expand education and training programs in health care at South Puget Sound, Grays Harbor, Centralia, and Olympic Colleges.
- In 2002, Tri-Tech Skills Center received a \$200,000 discretionary grant from the Governor's office to expand its pre-health professional programs thus creating more opportunities for students to take the course offerings. The Benton Franklin WDC health skills panel supported the application.
- The Northwest Washington WDC health skills panel research on employer demand for imaging specialists supported a successful proposal by the Bellingham Technical College for a grant to develop a Radiologic Technologists program. Bellingham Technical College is leading the development of a community and technical college consortium of representatives from Skagit Valley Community College, Everett Community College, Edmonds Community College, and Whatcom Community College to implement the program.

Increasing Clinical Training Capacity: Example

- Tacoma Community College, in partnership with eight regional nursing programs and the Health Skills Panel in Pierce County is developing a system for centralized clinical site coordination to maximize clinical training opportunities. The system will include web-based planning, similar to the model developed by in Maricopa County Community Colleges in Arizona.

Creating Career Mobility: Examples

- The Pacific Mountain WDC health skills panel is utilizing an Employment Security grant to train 25 incumbent workers from Providence St Peter Hospital. Eleven Certified Nursing Assistants will become licensed practical nurses by 2003, and fourteen licensed practical nurses will become registered nurses within by 2004. These training funds have the additional benefit of enabling South Puget Sound Community College to open another class with space to train 12 more non-grant students in the registered nursing class.
- Health employers and members of the health skills panel in Pierce County, partnered with WorkSource to provide a WorkSource Career Specialist who is co-located at Good Samaritan, Franciscan and Multicare Health System, to provide incumbent workers with career development information: identifying career aptitudes and goals, appropriate training, and opportunities for financial assistance. Since 2001, over 500 workers have been assisted, and many are now in healthcare careers training.

Recruiting Individuals into Health Care Occupations: Examples

- Seattle-King, Snohomish, and Tacoma-Pierce WDCs health care skills panels coordinated with KIRO TV, and several large healthcare employers to develop a marketing campaign aimed at increasing community awareness, especially among youth and ethnic groups, about the opportunities available in health care. The initial campaign includes TV commercials and the development of a web site, and is focused on nursing and the nursing specialties. Future campaigns plan to address other health care occupations shortages.
- In 2002, the health skills panel in Northwest Washington WDC created a financial assistance program to encourage workers into further education and training in order move up a career ladder. The skills panel will match employer scholarship funds; advance the money for tuition if the employer's policy is to reimburse after class completion; provide coaches and tutors as career counselors or to assist with specific education needs, and provide funding for childcare and transportation.
- As part of local marketing campaigns, Tacoma-Pierce, Olympic, and Benton-Franklin WDCs health skills panels have developed websites that aim to recruit individuals into health care occupations. They provide information about local employment opportunities, career paths, education and training programs, and financial aid:
Pierce County: <http://healthjobsforyou.com/Home.asp?Subscriber=KIRO>.
Benton Franklin: <http://www.healthcareworx.org>.
Olympic: <http://www.practiceinparadise.org>.

OUTCOMES AT A GLANCE

Workforce Training and Education Coordinating Board HEALTH CARE SKILLS PROJECTS 2000-2003

Workforce Development Council	Northwest	Olympic	Seattle King	Tacoma Pierce	Pacific Mountain	Benton Franklin	Snohomish	Southwest
Total WTECB Funding	\$ 46,000	\$ 71,375	\$ 135,000	\$ 135,000	\$ 102,000	\$ 68,000	\$85,000	\$71,347
Create skills panel	•	•	•	•	•	•	•	•
Analyze/validate regional labor market data	•	•	•	•	•		•	•
Identify specific occupations/skill gaps	•	•	•	•	•	•	•	•
Develop job ladders/wage progression	•		•	•				
Recommend/revise curricula		•		•	•	•		•
Catalyze development or expansion of college or K-12 education training program	•	•	•	•	•		•	•
Streamline process for identifying clinical sites.	•		•	•			•	
Create articulation agreements							•	•
Integrate with existing partnership	•		•	•	•	•		
Develop marketing and recruitment tools	•	•	•	•	•		•	•
Sustainability plan	•	•	•	•	•	•	•	•
Identify issues requiring legislative action	•	•	•	•	•	•		•
State Board for Community & Technical Colleges Grants mainly for Expanding Educational Capacity	\$79,000 \$191,492		\$262,038 \$179,524 \$187,662	\$82,389 \$92,029	\$95,746	\$537,518**	\$191,492	
Employment Security Grants for Customized Training for Incumbent Workers	\$127,995	\$175,000	\$150,000	\$175,000 \$150,000	\$199,700			

* Other State Board for Community and Technical College Grants: Spokane Community College received \$150,00 for an articulated LPN-RN program, and with Spokane Fall \$95,746 for expanding education via distance learning. Yakima Valley received \$95,746 to expand nursing careers programs.

** Colleges located in three workforce development regions in Eastern Washington partnered (see Benton-Franklin above) to receive \$537,518 to expand allied health program capacity.

Workforce Development Councils / Areas

